

O-273-20

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No. 3356476
BY CATL FINANCIAL SERVICES LLP
TO REGISTER THE TRADE MARK**



IN CLASS 5

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 416189 BY
HAIR BURST LIMITED**

BACKGROUND

1) On 27 November 2018, CATL Financial Services LLP (hereinafter the applicant) applied to register the trade mark shown on the front page of this decision in respect of the following goods:

- In Class 5: Dietary and nutritional supplements; dietary and food supplements comprised of vitamins and/or minerals; vitamin supplements; probiotic supplements; protein powder for use as a nutritional supplement; pharmaceutical and medicinal preparations; medicines and supplements.

2) The application was examined and accepted, and subsequently published for opposition purposes on 1 February 2019 in Trade Marks Journal No.2019/005.

3) On 1 May 2019 Hair Burst Limited (hereinafter the opponent) filed a notice of opposition. The opponent is the proprietor of the following trade mark:

Mark	Number	Dates of filing & registration	Class	Specification relied upon
HAIR BURST	3235314	05.06.17 25.08.17	5	Pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietary supplements; nutritional supplements; mineral supplements; vitamin supplements; herbal supplements and herbal extracts; vitamin preparations; medicated and pharmaceutical skin care preparations; medicinal, sanitary and pharmaceutical products and preparations for treating the hair; medicinal, sanitary and pharmaceutical products and preparations for stimulating and promoting hair growth; medicinal, sanitary and pharmaceutical products and preparations for preventing hair loss; medicinal, sanitary and pharmaceutical products and preparations for strengthening hair; hair growth

				preparations, stimulants and vitamins; hair care preparations, stimulants and vitamins; supplements intended to prevent hair loss; medicated hair care lotions; vitamins for hair growth.
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4) The grounds of opposition are, in summary:

- a) The opponent contends that its mark above and the mark applied for are very similar and that the goods applied for are identical / similar to the goods for which the earlier mark is registered. As such the mark in suit offends against Section 5(2)(b) of the Act.
- b) The opponent also contends that it has a considerable reputation in its mark. It states that the similarity between the marks and businesses is such that there is a likelihood of consumers assuming a link. It contends that this will enable the applicant to take unfair advantage of the opponent's reputation and free ride on its investment in promoting and advertising the brand. Use of the mark in suit will dilute and tarnish the reputation of the opponent. It contends that the mark in suit offends against section 5(3) of the Act.
- c) As a result of the use made of the sign HAIR BURST since December 2014 the opponent has acquired a substantial amount of goodwill and reputation in its mark in the UK in relation to a range of pharmaceutical, vitamin and supplement goods, such that the average consumer will assume that the goods of the applicant are those of the opponent or linked to them and therefore misrepresentation will occur. The mark in suit therefore offends against section 5(4)(a) of the Act.

5) On 8 July 2019 the applicant filed a counterstatement, basically denying that the goods and marks are similar. It does not put the opponent to proof of use of its mark.

6) Both parties filed evidence. Both parties seek an award of costs in their favour. Neither side wished to be heard; only the opponent filed written submissions which I shall refer to as and when necessary in my decision.

OPPONENT'S EVIDENCE

7) The opponent filed a witness statement, dated 30 October 2019, by James Hill the Founder and Director of the opponent. He states that his company has used its mark HAIR BURST since March 2014 “primarily for hair vitamins and supplements and also for hair care products such as shampoo and conditioner”. He provides the following sales figures for the mark in the UK:

Year	Sales £ million
2014-2015	3.3
2015-2016	5.4
2016-2017	5.4
2017-2018	5.1
2018-2019	6.9

8) In considering the turnover figures relied upon I note that the opponent has its mark registered for not only the goods in class 5 relied upon but a range of goods such as soap, perfume, cosmetics, hair products in general and skin care products in class 3 and also retail services in class 35 relating to all these goods. Mr Hill states that his company's products are sold throughout the UK on stores such as Holland & Barrett, Boots, Superdrug, Sainsbury's and Tesco as well as on line via outlets such as Amazon and Look Fantastic. The opponent also operates its own website which sells its products. He states that the opponent is present on social media and has spent approximately £1million per annum on advertising through publications such as the *Daily Mail*, *Bazaar*, *Cosmopolitan*, *OK*, *Look*, *New*, *Elle* and *Healthy*. The evidence includes the following exhibits:

- JH1: a selection of invoices. Forty invoices are to Holland and Barrett dated March 2016 - October 2019 (the majority prior to the relevant date) and relate to a product described as “Hairburst” with the addition of one of “one month”, “three months”, “chewable”, “new mums”, “hair vitamins”, “shampoo/conditioner”, “Elixir”, “for men”, “35+” and “women's 35+”. There is also a single invoice to Superdrug, dated May 2018 for “Hair Burst: Chewable”.
- JH2: Copies of website pages showing the opponent's products offered for sale, None are dated apart from pages 61 and 64 which appear to be dated 29.10.2019 and 28.10.2019 respectively (both after the relevant date of 27 November 2018).

- JH3: Copies of pages from the opponent’s website and show the opponent offering “Hair Burst” vitamin tablets, shampoo, conditioner and eyelash growth serum, mainly prior to the relevant date.
- JH4: Copies of pages from social media which mention the opponent’s products, again mostly prior to the relevant date.
- JH5: This consists of three advertisements dated 1 May 2018, 5 July 2018 and 29 October 2018 all in the Mail on line, which mention the opponent’s products.
- JH6: Copies of invoices relating to advertisements taken out by the opponent. A large number of which appear to be for the social media postings filed at exhibit JH4.

APPLICANTS’ EVIDENCE

9) The applicant filed a witness statement, dated 30 December 2019, by Jo Mitchell the applicant’s Trade Mark Attorney. She states that she carried out an internet search for the term “burst vitamins – hairburst” and limited the results to the UK. The results are provided at exhibit JM1. The results tend to refer to “fruit burst”, “vitamin burst” or “energy burst”. At exhibit JH2 are a number of uses by various manufacturers of the word “burst” in relation to vitamin tablets and vitamin enriched water.

10) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

11) The first ground of opposition is under section 5(2)(b) which reads:

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

(a)

(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.”

12) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

13) The opponent is relying upon its trade mark listed in paragraph 3 above which is clearly an earlier trade mark. As the opponent’s mark had not been registered for five years at the time that the instant mark was applied for (27 November 2018), the proof of use requirements do not bite.

14) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts 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.

(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 great 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.

The average consumer and the nature of the purchasing decision

15) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. 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.”

16) The goods at issue in these proceedings are, broadly speaking, pharmaceutical and medicinal preparations; medicines and dietary and nutritional supplements. The average consumer for such items will be the public at large including businesses such as retail outlets. Such goods will typically be offered for sale in retail outlets, such as supermarkets, pharmacies and department stores as well as on the internet including ordering by phone. The initial selection is therefore primarily visual. It is possible that the selection will be discussed with a member of staff, or ordered over the phone. The latter, along with personal recommendations, bring aural considerations into play. Considered overall, the selection process for such goods is likely to be predominantly a visual one, although I accept that aural considerations will also play their part. Turning now to the level of attention the average consumer will display when selecting these goods, the average cost of such items is, broadly speaking, relatively low, but the average consumer will want to ensure that whatever they consume is something which will meet their particular bodily needs. Some will take such items to alleviate medical issues whilst some supplements simply ensure that good health is maintained. To my mind, the average consumer for such goods will be likely to pay a medium to high degree of attention to the selection of the goods at issue.

Comparison of goods

17) In the judgment of the Court of Justice of the European Union (CJEU) in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“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”.

18) 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.

19) The specifications of the two parties are as follows:

Applicants' specification	Opponent's specification
In Class 5: Dietary and nutritional supplements; dietary and food supplements comprised of vitamins and/or minerals;	Pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietary supplements; nutritional supplements; mineral supplements; vitamin supplements; herbal supplements and herbal extracts; vitamin preparations; medicated and pharmaceutical skin care

vitamin supplements; probiotic supplements; protein powder for use as a nutritional supplement; pharmaceutical and medicinal preparations; medicines and supplements.	preparations; medicinal, sanitary and pharmaceutical products and preparations for treating the hair; medicinal, sanitary and pharmaceutical products and preparations for stimulating and promoting hair growth; medicinal, sanitary and pharmaceutical products and preparations for preventing hair loss; medicinal, sanitary and pharmaceutical products and preparations for strengthening hair; hair growth preparations, stimulants and vitamins; hair care preparations, stimulants and vitamins; supplements intended to prevent hair loss; medicated hair care lotions; vitamins for hair growth.
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20) Clearly, the following terms appear in both specifications and so these must be considered as identical: “Dietary and nutritional supplements; pharmaceutical preparations; vitamin supplements; medicinal preparations”. In my opinion the opponent’s “dietary supplements; nutritional supplements; mineral supplements; vitamin supplements” fully encompasses the following items in the applicant’s specification “dietary and food supplements comprised of vitamins and/or minerals; probiotic supplements; protein powder for use as a nutritional supplement” and as such these items must be regarded as identical. Lastly, the applicant’s goods “medicines and supplements” must be regarded as identical to the opponent’s “Pharmaceutical preparations; dietary supplements; nutritional supplements; mineral supplements; vitamin supplements; herbal supplements”. **Overall, the whole of the specification applied for by the applicant is identical to the class 5 goods for which the opponent’s mark is registered.**

Comparison of trade marks

21) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by 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.”

22) It would be wrong, therefore, to artificially 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 created by them. The trade marks to be compared are:

Opponents' trade mark	Applicants' trade mark
<p>HAIR BURST</p>	 <p>The applicant's trade mark consists of the words "SOUL FOODS" in a small circular logo at the top left. Below it, the word "nutri" is written in a lowercase, bold, sans-serif font. The word "BURST" is written in a very large, bold, uppercase, sans-serif font, with a slight shadow effect. At the bottom, the words "GUMMY VITS" are written in a smaller, uppercase, sans-serif font, with wide letter spacing.</p>

23) The opponent contends:

“8. The Opponent's earlier mark is wholly made up of the words HAIR BURST. Given the descriptive nature of the word HAIR, the dominant and distinctive element of the Opponent's earlier mark is undoubtedly the word BURST. Given that the descriptive word "HAIR" is used by other undertakings and cannot be monopolised by one party, it is the "BURST" element of the Opponent's mark that consumers use to identify goods as originating from the Opponent.

9. The Applicant's mark is predominately made up of the words NUTRI BURST. The word "BURST" is much larger than the other elements of the mark and, being the only distinctive element of the mark, is undoubtedly the dominant element. All of the other elements are descriptive and/or non-distinctive and add very little to the mark as a whole:

- The words SOUL FOODS in the top left corner is in very small text in the context of the mark and this element is almost negligible.

- The word NUTRI is a well-known and common abbreviation of "NUTRITION", and is a descriptive reference in the context of the goods for which registration is sought.
- The words GUMMY VITS positioned at the bottom of the mark are entirely descriptive of the goods for which registration is sought, namely vitamins in a gummy form.

10. It follows that, bearing in mind the distinctive and dominant elements of the marks, they are overall visually, aurally and conceptually very similar:

- Visually, the distinctive and memorable element of both marks is the word BURST. Because of the descriptive, non-distinctive and secondary nature of other elements contained in the marks, it is this word that consumers will see, pay attention to and remember when faced with either mark.
- Aurally, the marks are similar as result of the common element "BURST". Whilst the opposed mark contains other verbal elements, consumers are likely to pronounce the mark simply as "NUTRI BURST" given the composition of the mark and the secondary nature of the elements SOUL FOODS and GUMMY VITS. The aural comparison to be made is therefore between HAIR BURST and NUTRI BURST.
- Conceptually, both marks convey the same message in that the word BURST will be understood as meaning a sudden surge, rush or spurt. The other elements contained in both marks are descriptive and simply indicate the type of goods to which the marks relate. As the signs will be associated with a similar meaning on account of the word BURST, the signs are conceptually highly similar.

11. It must be borne in mind that the average consumer only rarely has the chance to make a direct comparison between different signs and must place his trust in the imperfect picture of them that he has kept in his mind (*Alcon v OHIM, C-4120 5 P, ECR, EU: C: 2007: 252*). In this respect, consumers tend to remember similarities rather than dissimilarities between signs. This is even more so the case here, since the differences between the signs are confined to descriptive, non- distinctive and secondary elements."

24) Whilst I accept that a considerable amount of the opponent's specification is targeted at improving ones' hair, it is also the case that its specification and that of the applicant include a large number of terms which cover a very wide range of products which would be taken for a variety of purposes. For instance not all supplements will be taken in order to grow longer or more hair, although I am willing to accept that if a person is healthier then this is likely to be reflected in their skin, nails, teeth, hair, etc. The specification also includes medicines, again these may be linked to symptoms far removed from one's hair. For instance, "pharmaceutical preparations" could include medicines to treat cancer, many of which cause hair loss. For these reasons I do not accept the first of the opponent's contention that the term "hair" is completely descriptive in relation to all of the goods under consideration. Therefore, the dominant element of the opponent's mark is not the word "BURST" for all the goods for which it registered but the mark in its entirety. I accept that for hair products the word "burst" is the dominant element. Similarly, I do not accept that the words "Soul Foods" can be so dismissed in such a cavalier manner, it may be relatively small, but it is the first element that one sees and is highly visible. It is also the best indication of origin within the entire mark, and maintains an independent distinctiveness, whereas the balance of the mark can be seen as indicating what and how the product will provide. Given that the opponent advertises its product as promoting hair growth it is not a stretch to say that it gives hair a boost and helps it grow. Similarly, the applicant's mark is "Nutri Burst" which could be taken to mean that it gives a burst or boost of nutrition. Whilst the marks share the word BURST there are many visual differences from the many additional words in the applicant's mark not found in the opponent's mark, to the absence of "hair" in the applicant's mark. I also note the two devices in the applicant's mark, the circle that SOUL FOODS cuts through and the "bite" marks in the word BURST. Overall, the visual differences outweigh the single similarity.

25) Aurally, the same considerations mean that far from the similarity that the opponent contends, by conveniently ignoring half of the applicant's mark, the marks are similar to a very low degree. With the differences outweighing the similarities.

26) Conceptually, I agree that the word BURST will be understood as meaning "a sudden surge, rush or spurt". However, unlike the opponent I believe that the other words in the marks put this surge into perspective. In the opponent's mark it is to provide one's hair with a boost, in the applicant's mark it is a boost of nutrition. The meanings of the two marks are completely different.

27) Considering all of the above, I conclude that overall the marks are not similar, or at best only similar to a very low degree.

Distinctive character of the earlier trade mark

28) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

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

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

29) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

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

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

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

30) The opponent contends:

"The distinctive character of the earlier trade mark, and in particular its reputation, must be taken *into* account when determining whether the similarity between the goods or services covered by the two trade marks is sufficient to give rise to the likelihood of confusion. The Opponent enjoys a reputation in the earlier trade mark, as evidenced in the enclosed Witness Statement of James Hill. In light of the Opponent's significant reputation, the earlier mark enjoys an enhanced scope of protection resulting in a greater likelihood of confusion."

31) I note that the opponent does not state why it believes that it has reputation in its mark other than to rely upon the turnover figures and the fact that it has sold its products as witnessed by invoices and various websites. However, I note that in his witness statement Mr Hill stated that the mark relied upon had been used "primarily for hair vitamins and supplements and also for hair care products such as shampoo and conditioner". I also note that he did not state that the turnover figures provide related only to, or even primarily to, the class 5 goods. The opponent's mark is registered for a range of goods in class 3 such as soap, perfume, cosmetics, hair products in general and skin care products in class 3 and also retail services in class 35 relating to all the goods in classes 3 and 5. I am willing to accept that the opponent's mark has an average degree of inherent distinctiveness in respect of all of the goods and services for which it is registered, despite the presence of the descriptive word "hair" when used on goods which are designed specifically to treat or assist a person's hair. However, given the number of goods for which the mark is registered and the absence of specificity in regard to the turnover figures I am not willing to accept that the opponent can benefit from any enhanced distinctiveness. The size of the cosmetics and perfumery market alone mean that despite having a respectable turnover, the opponent's market share in any of the sectors for which its mark is registered is probably so small as not to register. **Overall, the opponent's mark has an average**

degree of inherent distinctiveness but cannot benefit from enhanced distinctiveness through use.

Likelihood of confusion

32) 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 opponent's trade mark as the more distinctive this trade mark 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. Earlier in this decision, I concluded that:

- the average consumer for the goods is the general public including businesses who will select the goods by predominantly visual means, although not discounting aural considerations. They will pay a medium to high degree of attention to the selection of such goods.
- the marks are not similar, or at best only similar aurally to a very low degree.
- Overall, the opponent's mark has an average degree of inherent distinctiveness but cannot benefit from enhanced distinctiveness through use.
- the goods in class 5 of the two parties are identical.

33) It is necessary to consider the likelihood of both direct and indirect confusion. 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.

34) I also note that 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 marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

35) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

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

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

36) The opponent in its submissions contended:

“19. When faced with either mark, consumers will notice and remember the word "BURST" as this is the distinctive and dominant element of both signs and are not likely to remember the differences between the marks - particularly bearing in mind the notion of imperfect recollection.

20. In summary, taking the signs as a whole, the differences between them are not sufficient to dispel a likelihood of confusion. This is particularly true because the marks relate to identical goods. Given the overriding visual, aural and conceptual similarities between the marks as a result of the word BURST, customers of the Opponent and members of the public will be confused into believing that the goods provided by the Applicant bearing the opposed mark originate from the Opponent, or that the Applicant is somehow linked to the Opponent.

21. Likelihood of confusion covers situations where the consumer directly confuses the trade marks themselves, or where the consumer makes a connection between the conflicting signs and assumes that the goods/services covered are from the same or economically linked undertakings. It is highly conceivable that the relevant consumer will perceive the opposed mark as a sub-brand or variation of the earlier mark.”

37) For its part, the applicant referred me to *Reed Executive Plc v Reed Business Information Ltd* [2004] EWCA Civ 159, *Lloyd Schuhfabrik* [2000] F.S.R. 77 and *Office Cleaning* (1946) 63 R.P.C. 39 and contended:

“where a mark is largely descriptive ‘small differences may suffice’ to avoid confusion. In this case the only common element in the marks is the non-distinctive word BURST. All remaining features are distinctively different. The average consumer would not attribute any trade origin significance to the common descriptive element, but would attribute trade origin significance to the distinctive differences between the Mark and the signs. This obviates any likelihood of confusion for the same reasons as there is no likelihood of deception. As LJ Jacob succinctly stated in *Reed*, where a mark is largely descriptive, small differences suffice to avoid confusion.”

38) In view of all of the above, and allowing for the concept of imperfect recollection, despite the identity of the goods the overall differences in the marks are such that there is no likelihood of consumers being indirectly or directly confused into believing that the goods provided by the applicant are those of the opponent or provided by an undertaking linked to it. **The opposition under Section 5(2) (b) therefore fails.**

39) I next turn to the ground of opposition under section 5(3) which reads:

“5. (3) A trade mark which-

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

40) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

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

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

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

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

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

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

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

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

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

41) The first hurdle is the issue of reputation as set out at points (a) and (b) above. The onus is upon the opponent to prove that its trade mark enjoys a reputation or public recognition. In its written submissions the opponent contended:

“24. The Opponent has used its earlier mark on a considerable scale since 2014 and enjoys a significant reputation in the mark throughout the UK. The Opponent has invested heavily in the promotion of the

mark during this period. The Opponent relies on the enclosed Witness Statement of James Hill in support of its reputation.

“25. Reputation involves some kind of "knowledge threshold" - a mark has a reputation where it is known by a significant part of the public concerned by the goods or services covered by the trade mark (*General Motors Corporation v Yplon* {1999D}, The Opponent's earlier mark HAIR BURST is clearly known by a significant part of the public concerned by the relevant goods, and therefore has a reputation in the UK.

26. The Applicant's mark is so similar to the Opponent's mark, that consumers would undoubtedly make a link or connection between the signs. The word BURST is the prominent and distinctive element of the opposed mark and immediately creates an association with the Opponent's HAIR BURST mark, particularly when used in relation to vitamins and related goods.

27. As a result of the Opponent's reputation, use of such a similar mark by the Applicant without due cause will undoubtedly take unfair advantage of, and be detrimental to, the distinctive character and repute of the earlier mark.

28. Given the high similarity of the marks, the Opponent's reputation and the image conveyed by the earlier mark is likely to be transferred to the Applicant's mark. Use of such a similar mark would allow the Applicant to ride on the coat-tails of the earlier mark in order to benefit from the power of attraction, the reputation and the prestige of the earlier mark, and to unfairly exploit the significant marketing investment the Opponent has made.

29. Use of the Applicant's mark would also result in the weakening of the Opponent's mark in being able to exclusively identify goods and services as originating from the Opponent alone.

30. The Opponent's products are made of natural ingredients, and are of the highest quality. The Opponent is liable to suffer damage to its reputation if the goods provided by the Applicant under the opposed mark do not possess the same qualities and/or are of an inferior standard that the Opponent's customers have become accustomed to.”

42) Earlier in this decision I considered the evidence provided regarding the use of the opponent's mark. Whilst these comments were in the context of whether the opponent could benefit from

enhanced distinctiveness through use the same issues arise when considering whether the opponent has shown it has reputation in its mark and if so in relation to what goods and /or services. The opponent stated that its mark had been used “primarily for hair vitamins and supplements and also for hair care products such as shampoo and conditioner”. The market for shampoo and conditioner is huge, probably in the £billions in the UK alone. Similarly, the market for vitamins and supplements is substantial. The opponent has not stated what if any market share it enjoys in any goods in the UK, nor has it provided turnover figures restricted to a single class of good (vitamins being in class 3, shampoo in class 5). Nor has the opponent filed any evidence from independent witnesses as to its reputation. Instead it relies upon three advertisements in the Mail on line, and payments made mostly for favourable comments on social media sites by so-called influencers. There is no evidence how effective any of the promotion of the mark has been. As stated earlier the onus is on the opponent to prove it has reputation in the UK and to my mind it has failed to meet this obligation. **The ground of opposition under section 5(3) fails).**

43) However, in case I have erred in this finding I shall go onto stage two where I have to consider whether the public will make a link. In Case C-408/01, *Adidas-Salomon*, the CJEU held that:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

44) The level of similarity required for the public to make a link between the marks for the purposes of 5(3) may be less than the level of similarity required to create a likelihood of confusion. In *Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P, the CJEU stated (at paragraph 72 of its judgment) that:

“The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 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 (see judgment in *Ferrero v OHMI*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited).”

45) Earlier in this decision I found that the opponent’s mark is not similar, or at best only similar to a very low degree to the mark sought to be registered by the applicant. I also found that the goods of the two parties were identical. To my mind, if a member of the public saw the applicant’s mark they would not immediately make the link to the opponent, and it would not even bring it to mind. **The ground of opposition under section 5(3) fails.**

46) The last ground of opposition is under section 5(4)(a) which reads:

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

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

(b) [.....]

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

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

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

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

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

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

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

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

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

49) The Opponent contends that it has been using the trade mark HAIR BURST on a significant scale since 2014 in relation to vitamins, supplements and hair products. As a result of such use, the Opponent claims it has generated significant goodwill and reputation in the mark. As set out earlier in this decision I do not accept that the opponent has shown that it has reputation in its mark in relation to any particular goods or services. Earlier in this decision I found that use of the mark in suit, actual or on a fair and notional basis, would not result in confusion with the opponent’s mark. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur.

The opposition under Section 5(4)(a) of the Act must fail.

CONCLUSION

50) The opposition under sections 5(2)(b), 5(3) & 5(4)(a) have all failed.

COSTS

51) As the applicant has been successful it is entitled to a contribution towards its costs.

Preparing a statement and considering the other side's statement	£300
Preparing evidence / considering and commenting upon the other side's evidence	£800
Provision of submissions	£500
TOTAL	£1,600

52) I order Hair Burst Limited to pay CATL Financial Services LLP the sum of £1,600. This sum is to be paid within two months of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 5th day of May 2020

George W Salthouse
For the Registrar,
the Comptroller-General