TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No. 3032897
BY H & I TRADING LIMITED
TO REGISTER THE TRADE MARK
BosNeeleze
IN CLASS 20
AND

IN THE MATTER OF OPPOSITION
THERETO UNDER No. 401909 BY
BURGON & BALL LIMITED

BACKGROUND

1) On 29 November 2013, H & I Trading Limited (hereinafter the applicant) applied to register the trade mark BosNeeleze in respect of the following goods in Class 20: Cushions; kneelers.

2) The application was examined and accepted, and subsequently published for opposition purposes on 20 December 2013 in Trade Marks Journal No.2013/051.

3) On 19 March 2014 Burgon & Ball Limited (hereinafter the opponent) filed a notice of opposition. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade marks:

Mark	Number	Date of application / registration	Class	Specification
kneelo Kneelo KNEELO A series of three marks.	2558049	08.09.10 17.12.10	20	Cushions for kneeling or sitting on.

b) The opponent contends that the prefix "BOS" is used on a large number of the applicant's goods and "is commonly discounted". It also claims that the applicant has used the mark with the "BOS" element in red and the "NEELEZE" element in black, making the second element more dominant. The opponent contends that the mark in suit is confusingly similar to its registered trade mark. It states that the goods applied for in the mark in suit are similar or identical to those for which its mark is registered. The opponent contends that the mark has significant reputation and goodwill in the UK. As such there will be confusion in the marketplace if the mark in suit, is allowed to become registered and used. The mark in suit therefore offends against Sections 5(2)(b) and 5(4)(a) of the Act.

c) The opponent states that in proceedings in relation to use of the mark infringing the opponent's registered mark 2558049 the applicant acknowledged that the product was a "me too" product. The opponent contends that the applicant deliberately set out to create as much similarity between the marks and products. As such the applicant is riding upon the opponent's coat tails and will dilute and tarnish the opponent's mark. The mark in suit therefore offends against sections 5(3) and 3(6) of the Act.

d) The opponent also contends that the mark in suit offends against sections 3(1)(a), 3(1)(b) and 3(1)(c) as.

> "The mark is devoid of distinctive character because as the first element "Bos" will not actually be used in line with common practice regarding the applicant's products in such a way, the trade mark is essentially –or even if BOS is considered, its dominant parts are the syllables "Neel" and "EZE".

> The applicant has not used the product for any significant period so as to acquire any distinctive character and thus the mark is essentially descriptive in that its function in relation to the goods in question, is that it is applied to a product which is an aid for kneeling in gardening, thus it is something to "eze" the strain on the knees when one "neels" – hence NEELEZE. Such argument is not applicable to the opponent's mark as "Kneelo" does not perform the same descriptive function, and in any event the opponent's mark has acquired significant distinctive character."

4) On 20 May 2014, the applicant filed a counterstatement denying all the grounds. The applicant did not put the opponent to proof of use as its mark has not been registered for the requisite time; however it did put the opponent to proof of its reputation and goodwill. The applicant states that it did not admit to trying to get a mark as close to the opponent's as possible. In fact, following the infringement threat by the opponent, and despite legal advice that it did not need to amend its mark, it changed the mark slightly before seeking registration in order to avoid any confusion.

5) Only the opponent filed evidence. Both parties seek an award of costs in their favour. The matter came to be heard on 8 December 2014 when the opponent was represented by Mr St Quinton of Counsel instructed by Messrs McDaniel & Co; the applicant was represented by Ms Evans of Messrs Fry Heath & Spence LLP.

OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 28 July 2014 by Kelly Hudson the opponent's Trade Mark Attorney. She states that the opponent is an established manufacturer of garden products and sells to both retail and trade customers unlike the applicant who, to the best of the opponent's knowledge sells only to trade customers. She then repeats all of the grounds of opposition, the response from the applicant and also provides submissions regarding aspects of the similarity of goods etc. None of this assists my decision, although I note that she maintains that even when the marks are compared as wholes (instead of truncating the mark in suit to NEELEZE) that they are similar. She states:

> "13. This prefix (BOS) was supposedly added to the mark after the applicant received correspondence from the opponent in pre-action intellectual property infringement proceedings alleging infringement of the opponent's trade mark and other IP rights in September 2013. This is demonstrated by the initial advertisement for [the] applicant's product bearing the mark launched at GLEE 2013 held at Birmingham NEC from 15-17 September 2013 which was placed in the September 2013 edition of Garden Centre Update magazine (GLEE show guide summary) an independent industry magazine, a copy of the relevant pages of which (this being the front page of the magazine, front page of the supplement and page 21 of the supplement) are shown at pages 12-14 of exhibit KH1."

7) Ms Hudson states that the opponent has sold 500,000 units under its mark, but does not state when use began. She also states that the product is stocked in most UK garden centres and national trust shops. She relies upon the selection of invoices dated between January and July 2013 to corroborate these claims. She also provides the following exhibits:

- KH1 pages 1-11: This consists of various pages from the internet showing use of the mark in suit. The image on pages 1 & 2 show the mark with the prefix Bos is in red with the balance of the mark being in black. The trade mark is not printed in a straight line but as part of a "wave". Page 3 & 4 shows pages, dated 24 July 2014, from an Amazon supplier Daggsonlinecouk where the product is described as "Bosmere Neeleze Kneeler purple" despite the mark being clearly visible upon the product as BosNeeleze. Pages 5 & 6 show the same company advertising a blue version of the product in the same manner at the same date. Pages 7-9 are from the website of Birstall.com, dated 24 July 2014, and show the knee pads advertised as Bosmere Garden Helpers Range Neeleze Luxury Kneeler. I note from the image shown however that the label on the product has only the word Neeleze not BosNeeleze. Also shown is a Bosmere Garden Helpers Range Neeleze Luxury Tool Holder which is a pouch which fits onto a belt and which safely holds a pair of secateurs or similar. The other pages show further items in the Bosmere Garden Helpers Range including cane caps, wire fleece-fabric pegs, and various clips for use in greenhouses. Pages 10 & 11 would appear to be from the applicant's own website and show a Neeleze Luxury Garden Tool Holder for sale.

- KH1 Page 14: A page from the GLEE magazine (September 2013) which shows the Bosmere Neeleze kneelers as a new product.

- KH1 pages 15 -80 and 201-221: Invoices from the opponent to various outlets throughout the UK which show sales of 10,790 pairs of knee pads. Whilst the numbers of knee pads is visible the costs have been redacted. These are dated between January and July 2013 although not filed in date order.

- KH1 Pages 81-122 extracts from media which mention the opponent's knee pads and large cushion kneeler. There is a reference in one article dated November 2010 to the opponent launching a new kneeler. However, it is not clear if this was simply an amended design or a totally new product. A large number of these have been cropped so that no details are visible on the actual cutting relating to the date of publication or indeed which magazine or newspaper it was featured in. Some are after the relevant date. In the witness statement Ms Hudson identifies the various newspapers and magazines and the dates of publication. These claim that the cuttings are between February 2010 and May 2014 although they are not in chronological order. The publications range from national newspapers such as *The Mirror, Evening Standard, Daily Mail, The Sun* and *Daily Telegraph* to magazines such as *The Lady, English Garden, Horticulture*

Week, Gifts Today, Garden Trade News, Garden Answers, Amateur Gardening, BBC Gardeners World, Kitchen Gardens and *Garden News.*

- KH1 pages 123-197: Copies of correspondence between the parties relating to the infringement threat. Specific reference is made to the forthcoming GLEE event and the fact that the applicant was using the mark NEELEZE. In response the applicant states that whilst it does not believe that there is any similarity between NEELEZE and KNEELO they will nevertheless rebrand using a prefix that they have used on many other products over 30 years and which will serve to identify the product origin. They also state that they had only marketed the goods to trade members and so will not be detrimental to the applicant. Ms Hudson states that the correspondence shows that the applicant was making a "Me too" product. However, the applicant to my mind responds robustly to allegations of trade mark and design right infringement, pointing to the many differences and stating that there are a lot of other foam kneelers on the market that are somewhat similar in shape as they inevitably would be.

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

DECISION

9) At the hearing the opponent withdrew the ground of opposition under section 3(6). I first turn to the ground of opposition based on section 5(2)(b) which reads:

> 5.-(2) A trade mark shall not be registered if because -
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> (a) .....
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> (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,
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> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

10) 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 -
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> (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."

11) The opponent is relying upon its trade mark listed in paragraph 3 above which is clearly an earlier trade mark. Given the interplay between the date that the opponent's marks were registered and the date that the applicant's mark was published, section 6A of the Trade Marks Act does not come into play.

12) 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

13) 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."

14) The specifications of both sides are for cushions and it was accepted by both parties that the average consumer would be the general public, which includes businesses such as retail outlets which stock these items. Cushions can vary significantly in price and also the materials they are made from but they would not be considered to be complex. The uses of a cushion whilst similar in that they are used for comfort differ enormously. By way of example a kneeler could be used in the garden where it would tend to be made of plastic and foam which are both water resistant and robust, whereas a church kneeler would tend to be more of a tapestry wrapped around a softer inner which could be foam or horse hair. Neither would be mistaken for the other and their costs would also be considerably different. The evidence suggests that garden kneelers would be self selected from a shelf or display in a garden centre or similar retail outlet, they can also be found on the Internet or in catalogues/magazines. My own experience of purchasing garden kneelers and other types of cushions suggests that the **visual aspect is the most important element in selection.** However, I must not overlook the potential for a shop assistant to assist a customer when aural considerations would also come into play, but the initial choice will still be made visually. Retailers, and others in business will also be customers but I believe that they will make their choices in a similar way, be it from the Internet, a brochure or the

shelves in a cash and carry. They may also order via the telephone or in person. Effectively they have the same issues as the general public and I regard them to be the same. **Whilst I accept that the average consumer is reasonably circumspect and observant I believe that the goods of both parties will be purchased or selected with only a modicum of care.**

Comparison of goods

15) **It is accepted by both parties that their goods specifications are identical.**

Comparison of trade marks

16) The trade marks to be compared are:

Opponent's trade marks	**Applicant's trade mark**
kneelo Kneelo KNEELO	BosNeeleze

17) 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.
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> 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.'
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> 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".

18) However the independent and distinctive element does not need to be identical. In *Bimbo SA v OHIM,* Case T-569/10, the General Court held that:

> "96.According to the case-law, where goods or services are identical there may be a likelihood of confusion on the part of the public where the contested sign is

composed by juxtaposing the company name of another party and a registered mark which has normal distinctiveness and which, without alone determining the overall impression conveyed by the composite sign, still has an independent distinctive role therein (Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 37). There may also be a likelihood of confusion in a case in which the earlier mark is not reproduced identically in the later mark (see, to that effect, Joined Cases T-5/08 to T-7/08 *Nestlé* v *OHIM – Master Beverage Industries (Golden Eagle and Golden Eagle Deluxe)* [2010] ECR II-1177, paragraph 60)."

19) In *Aveda Corp v Dabur India Ltd* [2013] EWHC 589 (Ch), Arnold J. stated that:

"47. In my view the principle which I have attempted to articulate in [45] above is capable of applying where the consumer perceives one of the constituent parts to have significance independently of the whole, but is mistaken as to that significance. Thus in *Bulova Accutron* the earlier trade mark was ACCURIST and the composite sign was BULOVA ACCUTRON. Stamp J. held that consumers familiar with the trade mark would be likely to be confused by the composite sign because they would perceive ACCUTRON to have significance independently of the whole and would confuse it with ACCURIST.

48. On that basis, I consider that the hearing officer failed correctly to apply *Medion v Thomson*. He failed to ask himself whether the average consumer would perceive UVEDA to have significance independently of DABUR UVEDA as a whole and whether that would lead to a likelihood of confusion."

20) Further in *Annco, Inc. V OHIM,* Case T-385/09, the General Court considered an appeal against OHIM's decision that there was no likelihood of confusion between ANN TAYLOR LOFT and LOFT (both for clothing and leather goods) and found that:

"48. In the present case, in the light of the global impression created by the signs at issue, their similarity was considered to be weak. Notwithstanding the identity of the goods at issue, the Court finds that, having regard to the existence of a weak similarity between the signs at issue, the target public, accustomed to the same clothing company using sub-brands that derive from the principal mark, will not be able to establish a connection between the signs ANN TAYLOR LOFT and LOFT, since the earlier mark does not include the 'ann taylor' element, which is, as noted in paragraph 37 above (see also paragraph 43 above), the most distinctive element in the mark applied for.

49 Moreover, even if it were accepted that the 'loft' element retained an independent, distinctive role in the mark applied for, the existence of a likelihood of confusion between the signs at issue could not for that reason be automatically deduced from that independent, distinctive role in that mark.

50 Indeed, the likelihood of confusion cannot be determined in the abstract, but must be assessed in the context of an overall analysis that takes into

consideration, in particular, all of the relevant factors of the particular case (*SABEL*, paragraph 18 above, paragraph 22; see, also, Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 37), such as the nature of the goods and services at issue, marketing methods, whether the public's level of attention is higher or lower and the habits of that public in the sector concerned. The examination of the factors relevant to this case, set out in paragraphs 45 to 48 above, do not reveal, prima facie, the existence of a likelihood of confusion between the signs at issue."

21) The opponent's mark consists of a series of three all of which are single words. The use of lower or upper case does not alter the basic mark which is the word "kneelo". I shall refer to the opponent's mark in the singular during the comparison. The applicant's mark is also a single word. The applicant's mark is significantly longer ten letters to the opponent's six. The applicant's mark also consists of three syllables "Bos" "neel" "eze" to the opponent's two "kneel" "o". The opponent contended that the applicant's mark would be viewed as two distinct elements. The first "Bos" would be seen as a reference to the manufacturer or origin. The second "Neeleze" would inform the average consumer of what the product does. It was contended that the second element would be the one relied upon by consumers and that this element is the one that should be used in the comparison test. It relies upon the actual use of the mark, and its initial use of "neeleze" to draw this conclusion. Instances of the actual use of the mark by the applicant have been filed as part of the opponent's evidence. The applicant has used the mark in the manner shown below upon its goods. The opponent contends that the average consumer will ignore the "Bos" element of the applicant's mark. In my opinion, the fact the "neeleze" clearly alludes to the fact that the product makes kneeling easier places even more emphasis upon the earlier element. I do not agree that the average consumer would see the element "Bos" and immediately associate this with the applicant. Nor do I accept that they would ignore this element as it will be meaningless to the average consumer and seem to simply be part of an invented word which alludes within it to an aspect of the product.

22) In the image above the letters “Bos” are in red with the rest of the mark being in black. The opponent drew my attention to the comments, in respect of the relevance of the actual use of the Mark by the Applicant as to what constitutes normal and fair use, by the Court of Appeal in the *OPEN COUNTRY* Trade Mark Case [2000] RPC 477. It was stated:

> “no court would be astute to believe that the way that an applicant has used his trade mark was not a normal and fair way to use it, unless the applicant submitted that it was not. It does not follow that the way that the applicant has used his trade mark is the only normal and fair manner. However in many cases actual use by an applicant can be used to make the comparison.”

23) I also take into account the comments of the Court of Justice of the European Union in Case C-591/12P, *Bimbo SA v OHIM*, where at paragraph 34 of its judgment it stated 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."

24) 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.

25) The applicant did not challenge the opponent's evidence or put in its own evidence showing other types of use of the mark. I accept that the applicant originally advertised it goods to a few retailers under the "neeleze" mark and that the opponent was able to identify a couple of retailers' websites which had not been updated and were still using the initial version of the mark. I also accept that the manner in which the applicant has been using its mark, in a wave form, with the initial element in red, is relevant. **However, I do not accept that the average consumer will therefore discount the prefix "Bos".** It is not a descriptive term and as the initial part of the mark it would usually be accorded the greatest emphasis (*El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02),. The rest of the mark "neeleze" obviously alludes to it easing the act of kneeling by providing a pad or cushion. There are considerable visual and aural differences between the marks which far outweigh the fact that both contain a "kneel/neel" element. Conceptually I believe that both marks convey something to do with kneeling, but other than this they would not provide much of an image to the average consumer. **Overall, I consider the marks to be visually and aurally different and have only the faintest degree of conceptually similarity.**

Distinctive character of the earlier trade mark

26) Whilst there cannot be any artificial dissection of the trade marks, it is necessary to take into account any distinctive and dominant components they may have. 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 *WindsurfingChiemsee* v *Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
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> 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)."

27) The opponent's mark is a single word which does not have any distinctive elements within it, its distinctiveness lies within its whole. Although highly allusive it is still an invented word and as such **it has a high level of inherent distinctiveness.** The opponent has filed evidence of the use it has made of its earlier trade mark in the UK. It states that it has sold 500,000 units although it does not state over what period. Nor does the opponent provide any revenue figures, market share or an indication of the size of the market for cushions in the UK. However, given that the invoices at exhibit KH1 show many thousands of garden kneelers being sold during the period January to July 2013 throughout the whole of the UK **I accept that the use made of its mark by the opponent is sufficient to enable it to benefit from enhanced distinctiveness through use in relation to garden kneelers.**

Likelihood of confusion

28) 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 visual aspect is the most important element in selection, although aural considerations also have to be taken into account;**
- **the goods of both parties will be purchased or selected with only a modicum of care;**
- **the goods are identical;**
- **the average consumer will not discount the prefix "Bos";**
- **the marks are visually and aurally different and have only the faintest degree of conceptually similarity;**

- **the opponent's mark has a high level of inherent distinctiveness and also benefits from enhanced distinctiveness through use.**

29) In view of the above and allowing for the concept of imperfect recollection, there is no likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. **The opposition under Section 5(2) (b) therefore fails in total.**

30) I now turn to the ground of opposition under Section 5(3) which reads:

> "(3) A trade mark which-
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> (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 Community trade mark or international trade mark (EC), in the European Community) 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."

31) 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, *Addidas-Salomon,* [2004] ETMR 10 and Case 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; G*eneral 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 likelihood 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).*

32) The onus is upon the opponent to prove that its earlier trade mark enjoys a reputation or public recognition and it needs to furnish the evidence to support this claim. To my mind the opponent has provided the evidence (exhibit KH1 pages 15-80 & 201-221, that its mark does enjoy such a reputation in relation to garden kneelers and so it clears the first hurdle.

33) Once the matter of reputation is settled an opponent must then show that the relevant customers would make a link between the two trade marks and how its trade mark would be affected by the registration of the later trade mark. In Case C-408/01, *Addidas-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)."

34) There is some debate as to whether the judgment of the CJEU in *L'Oreal v Bellure* means that an advantage gained by the user of a junior mark is only unfair if there is an intention to take advantage of the senior mark, or some other factor is present which makes the advantage unfair. The English Court of Appeal has considered this matter three times. Firstly, in *L'Oreal v Bellure* [2010] RPC 23 when that case returned to the national court for determination. Secondly, in *Whirlpool v Kenwood* [2010] RPC 2: see paragraph 136. Thirdly, in *Specsavers v Asda Stores Limited* [1] [2012] EWCA Civ 24: see paragraph 127. On each occasion the court appears to have interpreted *L'Oreal v Bellure* as meaning that unfair advantage requires something more than an advantage gained without due cause. However, the absence of due cause appears to be closely linked to the existence of unfair advantage. See paragraph 36 of the opinion of Advocate General Kokott in Case C-65/12 *Leidseplein Beheer and Vries v Red Bull.*

35) In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded that:

"80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill."

36) In *Aktieselskabet af 21. November 2001 v OHIM,* Case C-197/07P, the CJEU stated that:

"22. With regard to the appellant's argument concerning the standard of proof required of the existence of unfair advantage taken of the repute of the earlier mark, it must be noted that it is not necessary to demonstrate actual and present injury to an earlier mark; it is sufficient that evidence be produced enabling it to be concluded prima facie that there is a risk, which is not hypothetical, of unfair advantage or detriment in the future (see, by analogy, concerning the provisions of Article 4(4)(a) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), Case C-252/07 Intel Corporation [2008] ECR I-0000, paragraph 38).

23. In the present case, it is clear that the Court of First Instance, in paragraph 67 of the judgment under appeal, properly established the existence of an unfair advantage within the meaning of Article 8(5) of Regulation No 40/94 in correctly considering that it had available to it evidence enabling it to conclude prima facie that there was a risk, which was not hypothetical, of unfair advantage in the future."

Due Cause

37) In *Leidseplein Beheer BV v Red Bull,* Case C-65/12, the CJEU held that:

"43. In a system for the protection of marks such as that adopted, on the basis of Directive 89/104, by the Benelux Convention, however, the interests of a third party in using, in the course of trade, a sign similar to a mark with a reputation must be considered, in the context of Article 5(2) of that directive, in the light of the possibility for the user of that sign to claim 'due cause'.

44. Where the proprietor of the mark with a reputation has demonstrated the existence of one of the forms of injury referred to in Article 5(2) of Directive 89/104 and, in particular, has shown that unfair advantage has been taken of the distinctive character or the repute of that mark, the onus is on the third party using a sign similar to the mark with a reputation to establish that he has due cause for using such a sign (see, by analogy, Case C-252/07 *Intel Corporation* [2008] ECR I-8823, paragraph 39).

45. It follows that the concept of 'due cause' may not only include objectively overriding reasons but may also relate to the subjective interests of a third party using a sign which is identical or similar to the mark with a reputation.

46. Thus, the concept of 'due cause' is intended, not to resolve a conflict between a mark with a reputation and a similar sign which was being used before that trade mark was filed or to restrict the rights which the proprietor of that mark is recognised as having, but to strike a balance between the interests in question by taking account, in the specific context of Article 5(2) of Directive 89/104 and in the light of the enhanced protection enjoyed by that mark, of the interests of the third party using that sign. In so doing, the claim by a third party that there is due cause

for using a sign which is similar to a mark with a reputation cannot lead to the recognition, for the benefit of that third party, of the rights connected with a registered mark, but rather obliges the proprietor of the mark with a reputation to tolerate the use of the similar sign.

47. The Court thus held in paragraph 91 of the judgment in *Interflora and Interflora British Unit* (a case concerning the use of keywords for internet referencing) that where the advertisement displayed on the internet on the basis of a keyword corresponding to a trade mark with a reputation puts forward – without offering a mere imitation of the goods or services of the proprietor of that trade mark, without being detrimental to the repute or the distinctive character of that mark and without, moreover, adversely affecting the functions of the trade mark concerned – an alternative to the goods or services of the proprietor of the trade mark with a reputation, it must be concluded that such a use falls, as a rule, within the ambit of fair competition in the sector for the goods or services concerned and is thus not without 'due cause'.

48. Consequently, the concept of 'due cause' cannot be interpreted as being restricted to objectively overriding reasons.

38) It was contended by the applicant that they had due cause to use the mark as the initial part "Bos" is an element they have used on other products and the balance of the mark alludes to its function. Although they relied upon the evidence of the opponent to show use of the "Bos" element this does not lessen the claim.

39) Earlier in this case I found that the goods of the two parties were identical. I also found that the opponent's mark has a high level of inherent distinctiveness for "cushions" and has an enhanced reputation through its use in relation to garden kneelers. I also found that the competing trade marks are visually and aurally different and have only the faintest degree of conceptually similarity. Thus, in my opinion a link will not be established. Adopting the composite approach advocated, the conclusions that I have set out above naturally lead me to the view that there is no advantage for the applicant to derive. As far as detriment is concerned, the opponent suggested that this would subsist in a reduction in the distinctiveness of their mark. I consider that registration of the mark in suit would not have such an impact, either to the distinctiveness of the earlier mark or the reputation it enjoys. **The opposition under Section 5(3) therefore fails.**

40) I next turn to consider the ground of opposition under section 5(4)(a) which reads:

> "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."

41) In deciding whether the marks in question offend against this section, I intend to adopt the guidance set out in Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 which provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

42) Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 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."

43) The earlier use by the claimant must relate to the use of the sign for the purposes of distinguishing goods or services. For example, merely decorative use of a sign on a T-shirt cannot found a passing off claim: *Wild Child Trade Mark* [1998] RPC 455 (AP).

44) First I must determine the date at which the opponent's claim is to be assessed; this is known as the relevant or material date. In *Advanced Perimeter Systems Limited v Multisys Computers Limited,* BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

"39. In *Last Minute*, the General Court....said:

'50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date

on which the defendant began to offer his goods or services (*Cadbury Schweppes* v *Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.'

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):

(a) The right to protection conferred upon senior users at common law;
(b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
(c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty*

Ltd v. The Pub Squash Co. Ltd [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: "date of commencement of the conduct complained of". If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

> 'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.' "

45) The application was filed on 29 November 2013. The applicant does not claim to have used its mark prior to the application date. Indeed there is evidence that prior to this date it was using a slightly different mark on the same goods which was amended following communications with the opponent. The relevant date therefore is 29 November 2013.

46) I therefore turn to consider whether as of 29 November 2013, the opponent had any goodwill and if so in what goods or services this goodwill existed. It is clear from the evidence at exhibit KH1 that the opponent had goodwill in relation to kneepads for use in the garden. The opponent **therefore overcomes the first obstacle under this ground of opposition.**

47) I found earlier in this decision that the opponent's mark has a high level of inherent distinctiveness and also benefits from enhanced distinctiveness through use.

48) I now turn to consider the issue of misrepresentation. In *Neutrogena Corporation and Another v Golden Limited and Another*,1996] RPC 473, Morritt L.J. stated that:

> "There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc. [1990] R.P.C. 341 at page 407* the question on the issue of deception or confusion is
>
> > "is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]"

> The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148 . The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd*. (1941) 58 R.P.C. 147 at page 175 ; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101."
>
> And later in the same judgment:
>
> ".... for my part, I think that references, in this context, to "more than *de minimis* " and "above a trivial level" are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993) . It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion."

49) There is one possible difference between the position under trade mark law and the position under passing off law. In *Marks and Spencer PLC v Interflora,* [2012] EWCA (Civ) 1501, Lewinson L.J. cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that *"a substantial number"* of the relevant public are deceived, which might not mean that the average consumer is confused. As both tests are intended to be normative measures intended to exclude those who are unusually careful or careless (per Jacob L.J. in *Reed Executive Plc v Reed Business Information Ltd* [2004] RPC 40), it is doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes.

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

> "The role of the court, including this court, was emphasised by *Lord Diplock in GE Trade Mark* [1973] R.P.C. 297 at page 321 where he said:
>
> > 'where the goods are sold to the general public for consumption or domestic use, the question whether such buyers would be likely to be deceived or confused by the use of the trade mark is a "jury question". By that I mean: that if the issue had now, as formerly, to be tried by a jury, who as members of the general public would themselves be potential buyers of the goods, they would be required not only to consider any evidence of other members of the public which had been adduced but also to use their own common sense and to consider whether they would themselves be likely to be deceived or confused.
> >
> > The question does not cease to be a "jury question" when the issue is tried by a judge alone or on appeal by a plurality of judges. The judge's

> approach to the question should be the same as that of a jury. He, too, would be a potential buyer of the goods. He should, of course, be alert to the danger of allowing his own idiosyncratic knowledge or temperament to influence his decision, but the whole of his training in the practice of the law should have accustomed him to this, and this should provide the safety which in the case of a jury is provided by their number. That in issues of this kind judges are entitled to give effect to their own opinions as to the likelihood of deception or confusion and, in doing so, are not confined to the evidence of witnesses called at the trial is well established by decisions of this House itself.'"

51) It is the plaintiff's customers or potential customers that must be deceived. In *Neutrogena Corporation and Another v Golden Limited and Another*,1996] RPC 473, Morritt L.J. stated that:

> "This is the proposition clearly expressed by the judge in the first passage from his judgment which I quoted earlier. There he explained that the test was whether a substantial number of the plaintiff's customers or potential customers had been deceived for there to be a real effect on the plaintiff's trade or goodwill."

52) In the instant case both parties are in the same field of activity (kneepads for use in the garden). However, there are such significant differences in the marks of the two parties that I have no doubt in my mind that there is no possibility of a substantial number of the relevant public being deceived. **To my mind it is clear that misrepresentation will not occur.**

53) A consequence of there being no misrepresentation is that there will be no damage. **The ground of opposition under section 5(4)(a) therefore fails.**

54) I now turn to the grounds of opposition under section 3(1) which reads:

> "3(1) The following shall not be registered –
>
> (a) signs which do not satisfy the requirements of section 1(1),
> (b) trade marks which are devoid of any distinctive character,
> (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
> (d) ...:
>
> Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

55) The case law under section 3(1)(c) was summarised by Arnold J. in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch):

> "91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:
>
> > "33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94 , see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R.9; [2004] R.P.C. 18 , paragraph 30, and the order in *Streamserve vOHIM* (C-150/02 P) [2004] E.C.R. I-1461 , paragraph 24).
> >
> > 36. … due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94 . Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia , *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44 , paragraph 45, and *Lego Juris v OHIM* (C-48/09 P) , paragraph 43).
> >
> > 37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley* , paragraph 31 and the case-law cited).
> >
> > 38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94 , it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie* , paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).
> >
> > 39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious

need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I- 2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (Koninklijke *KPN Nederland*, paragraph 57).

And:

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland* , paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a ‘characteristic’ of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94 , the terms ‘the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service’, the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word ‘characteristic’ highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily

recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56)."

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97]."

56) When considering the grounds under s.3(1)(b), the principles to be applied under art.7(1)(b) of the CTM Regulation (equivalent to s.3(1)(b) of the Act) were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* Case C-265/09 P as follows:

"29..... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P Henkel v OHIM [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (Henkel v OHIM, paragraph 34; Case C-304/06 P Eurohypo v OHIM [2008] ECR I-3297, paragraph 66; and Case C-398/08 P Audi v OHIM [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (Storck v OHIM, paragraph 25; Henkel v OHIM, paragraph 35; and Eurohypo v OHIM, paragraph 67)."

57) The opponent's case in relation to absolute grounds under section 3(1)(a-c) was set out in its skeleton thus:

"22. As noted above, the Applicant has already commenced use of the Mark, as shown at KH1 pages 1-5 and 194.

23. That use identifies a distinction between the maker of the Applicant's goods (denoted by the "Bos" element) and the identity of the item (the "Neeleze" element).

AND:

44. As noted above, these grounds are only pursued if the tribunal finds that there is no likelihood of confusion, no link in the minds of the average consumer, and no misrepresentation, because the Mark is simply descriptive of a characteristic of the goods for which its registration is sought.

45. If such a conclusion arises, it must mean that the Mark also falls within the absolute grounds, as a mark immediately perceived by the average consumer, without further thought, as indicative of a characteristic of the goods for which its registration is sought, namely that it is a cushion that eases kneeling, or is easy on the knees."

58) The opponent's case rests upon the average consumer ignoring the initial three letters of the mark in suit and instead concentrating upon the final seven letters. The opponent relies upon the use of the applicant's initial mark "neeleze" which it used at its launch in September 2013. However, this use was confined to the retail trade at an exhibition, albeit I accept that some retailers did then advertise the product using the initial name upon their websites. Following communications between the parties the mark was amended to the mark in suit. Given the limited audience and use made of the initial mark I do not accept the contention that the average consumer or even a reasonable proportion of them would simply ignore the first three letters of the mark in suit, even when those three letters are shown in a different colour to the remainder of the mark. The mark in suit will be seen by the average consumer as "BosNeeleze" and as such it does not designate the intended purpose or any other characteristic of the goods, and it is not devoid of any distinctive character. **The grounds of opposition under sections 3(1)(a), 3(1)(b) and 3(1)(c) all fail.**

CONCLUSION

59) The opponent dropped the ground under section 3(6) at the hearing. **The applicant has been successful in defending its mark against opposition under Sections 5(2)(b), 5(3), 5(4)(a), 3(1)(a), 3(1)(b) and 3(1)(c).**

COSTS

60) 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	£200
Considering the evidence of the other side	£800
Preparing for and attending a hearing	£1200

TOTAL	£2,200

61) I order Burgon & Ball Ltd to pay H & I Trading Ltd the sum of £2,200. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 16th day of December 2014

George W Salthouse
For the Registrar,
the Comptroller-General