

O/635/19

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3295804
BY JUICE CABIN LIMITED
TO REGISTER**

Yorkshire Gold

AS A TRADE MARK IN CLASS 34

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 413003
BY BETTYS & TAYLORS GROUP LIMITED**

BACKGROUND AND PLEADINGS

1. Juice Cabin Limited (“the applicant”) applied to register Yorkshire Gold as a trade mark in the United Kingdom on 10 March 2018. It was accepted and published in the Trade Marks Journal on 30 March 2018 in respect of the following goods:

Class 34: Electronic cigarette liquid [e-liquid] comprised of propylene glycol; Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Flavourings, other than essential oils, for use in electronic cigarettes.

2. The application is opposed by Bettys & Taylors Group Limited (“the opponent”). The opposition is based upon Sections 5(2)(a), 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and concerns all the goods listed in the application.

3. With regards to its claim based upon Sections 5(2)(a), 5(2)(b) and 5(3) of the Act, the opponent relies upon the following trade marks:

Mark	Goods
UK00001570389 (The Earlier Word-Only Mark) YORKSHIRE GOLD Filing date: 31 October 1994 Date of entry in register: 26 January 1996	<i>Tea included in Class 30</i>
UK00003118901 (The Earlier Figurative Mark)  Filing date: 22 July 2015	<i>Class 30: Infusion products, teabags, leaves, plant extracts, fruit extracts and herbal extracts for making hot beverages; coffee; coffee beans; ground coffee; flavoured coffee; artificial coffee; coffee capsules; coffee pods; caffeine free coffee; coffee-based</i>

Date of entry in register: 16 October 2015	<i>beverages; coffee substitutes; tea; herbal teas; fruit teas; tea substitutes; tea pods; iced tea; cocoa; hot chocolate; flavourings for beverages.</i>
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4. The opponent submits that there is a likelihood of confusion under Sections 5(2)(a) and 5(2)(b) of the Act because the parties' respective goods are identical or similar, and the marks are identical or similar.

5. In respect of the grounds based upon Section 5(3) of the Act, the opponent claims that it has acquired a reputation in its earlier marks in respect of tea and has invested significant effort and finance in the marketing of the earlier marks. In particular the opponent argues that:

- the favourable reputation and image of the earlier marks will be transferred to the contested good, making the marketing of these goods easier and sales higher by association with the earlier marks and goods leading to unfair advantage;
- use of the later mark will be detrimental to the distinctive character and reputation of the earlier marks reducing their power of attraction;
- the earlier marks enjoy an image which is positive and socially responsible and will suffer 'tarnishment' or 'degradation' because the contested goods possess characteristics which are liable to have a negative impact on the image of the earlier marks;
- use of the later mark will dilute the distinctive character of the earlier marks;
- there is a likelihood that the economic behaviour of the average consumer of the opponent's goods will be adversely affected as a result of the reduction or change of image conveyed by or associated with the earlier marks.

6. With regards to its claim based upon section 5(4)(a) of the Act, the opponent claims that it has used the sign YORKSHIRE GOLD throughout the UK since 1981 in respect of tea, that the opponent has goodwill attached to the sign and that the sign is

distinctive specifically of tea originating from the opponent. In particular, the opponent argues that *“given the importance of the flavour of e-cigarette liquids and manner in which they are marketed, the presence of the sign on the contested goods will have a material impact on the consumer’s perception. Members of the public will mistakenly infer from the applicant’s use of the sign, which is identical to the earlier mark, that the applicant’s goods are commercially connected. There will therefore be a misrepresentation, as a consequence of which the opponent is likely to suffer damage, financial and reputational, particularly because of the negative and controversial association with e-cigarettes”*.

7. The applicant filed a defence and counterstatement, denying the grounds. In particular, the applicant argues that the respective goods are different and that its goods are used with electronic cigarettes not as a beverage. He also indicated that it did not require the opponent to provide proof of use. It states:

I do not believe that any customers either ours or theirs would be confused by A. who makes Yorkshire Gold e-liquid as it's stated on the label and B. that it could ever be confused as being tea to drink.

Juice Cabin Ltd was started 3 years ago helping people to stop smoking, the business grew due to the quality of the product, the service given and the flavour of our e-liquids. Yorkshire Gold is simply the latest in a line of new ranges available as requested by my customers. We are born and bred in Pontefract, West Yorkshire and this is the reason for the name, to show that this is our highest standard in e-liquid and we are proud of it.

In short our Yorkshire Gold is nothing like their Yorkshire Gold and can not be confused by anyone. Theirs is a dry material ours is wet, theirs is for a beverage ours is not, theirs is tea ours is not and so one. I deny that ours is similar or identical to theirs in any way

8. Only the opponent filed evidence during the evidence rounds. This will be summarised to the extent that is considered necessary.

9. The opponent is represented by HGF Limited; the applicant represents itself. A hearing took place via video-link on 27 September 2019 with the opponent represented by Richard Wylie from HGF Limited. The applicant elected not to attend the hearing.

10. On 24 September 2019, the opponent filed skeleton arguments together with a witness statement from Richard Wylie and an application requesting leave to file additional evidence. Mr Wylie's witness statement sought to introduce a number of online articles covered in the UK press in September 2019 relating to breaking stories about deaths related to the use of e-cigarettes (in the USA) and the resulting discontinuation of the sale of e-cigarettes by a USA retailer and potentially the banning of such products in the USA. It also exhibited an online article about infringement cases involving manufacturers of e-cigarettes using famous confectionary trade marks and provided examples of e-liquid products bearing famous soft drinks brands. This was copied to Mr Les Pickin, the applicant's Director, who responded on 25 September 2019 by filing three witness statements. Mr Pickin did not expressly raise any objection to Mr Wylie's evidence being allowed into the proceedings.

11. At the hearing Mr Wylie explained that the evidence presented became available shortly before the hearing and that it was material to the issue of detriment and unfair advantage which were some of the key issues that had to be determined. He also submitted that the opponent would be prejudiced if it was unable to rely on such evidence, whilst the other party had already filed a response. Further, he confirmed that he did not object to Mr Pickin's evidence being allowed into the proceedings and to Mr Pickin being given a further two weeks to file any additional comments. With these matters in mind, I allowed the late-filed evidence. Further comments were received from Mr Pickin on 10 October 2019. I shall return to them below.

The opponent's evidence in chief

12. In addition to Mr Wylie's evidence, the opponent's evidence consists of five witness statements from Katie Louise Goulding, Leanne Hunter, Dom Dwight, Ian Brabbin and Gina Stringer.

Witness statement of Katie Louise Goulding

13. Katie Louise Goulding is a trade mark attorney at HGF limited. She attaches the following exhibits to her witness statement:

- KL1: an online article from the Independent newspaper, dated 6 February 2018, about people mistakenly vapping food flavouring purchased from Amazon. At the hearing Mr Wylie pointed out the following paragraph within the article: *“But it turns out the food concentrate drops can actually be used for vape juice – as long as they are properly diluted”*. It also states: *“According to Veppo Cig, vape juice is “a mixture of water, food-grade flavouring, a choice of nicotine levels or zero nicotine, and propylene glycol (PG) or vegetable glycerine”*;
- KL2: a briefing of the Scottish Parliament dated 13 November 2013 about the risk of accidental ingestion or absorption of e-liquids containing nicotine;
- KL3: an online article dated 9 September 2014 headed *“E-cigs refills ‘threat to children”*. The article, which, it is said, was published by BBC News, warns parents to keep e-liquids away from young children because of the risk of poisoning, after reports of a two-year old girl who accidentally licked some e-liquid being taken to hospital;
- KLG4: the results of a Google search for the term “tea-juice UK”. They show that tea flavoured e-liquids do exist and are available for purchase.

Witness statement of Leanne Hunter

14. Ms Hunter states that she is from the opponent’s company although she does not say what is her role within the company. According to Ms Hunter, from 2013 the annual revenue generated from the sale of YORKSHIRE GOLD tea products in the UK was in the range of £7-8 million, with the total revenue figure being of approximately £43 million between 2013 and 2018.

15. Ms Hunter states that the opponent’s account system was upgraded in 1997 and that this makes difficult, if not impossible, to access certain historical information within the timeframe of the opposition. Nevertheless, she is advised that the date of first sale of YORKSHIRE GOLD tea was in 1981 and that since the first accessible record on their account system in 1998, the overall revenue for YORKSHIRE GOLD tea in the UK has been of £104 million. Three examples of invoices (redacted) are exhibited at

LH1; these are dated 7 February 2007, 21 May 2014 and 20 December 2018 and show sales of YORKSHIRE TEA.

Witness statement of Dom Dwight

16. Dom Dwight is the opponent's Marketing Director and has been employed by the opponent for almost 11 years. The following facts emerge from Mr Dwight's evidence:

- The opponent's tea date back to at least as early as 1886 when Charles Edward Taylor and his brother produced their first blend of the product that is well-known under the Yorkshire Tea brand. Yorkshire Gold was introduced as a luxury or premium version alternative to Yorkshire Tea. In the 1990s Yorkshire Gold's message continued to be about quality, tradition and teas from best tea estates;
- Yorkshire Gold is the leading premium tea product in the market, sourced from the top 10 tea gardens in the world, with a market share of 2.2% of the black tea market and 1.3% of the total tea market;
- The number of Yorkshire Gold tea drinkers in the UK was 569,400 in 2014, 678,397 in 2015, 611,887 in 2016, 490,102 in 2017 and 478,105 in 2018;
- Awareness of Yorkshire Gold is at an all-time high: 48% of all tea drinkers are now aware of Yorkshire Gold;
- In 2016, when a market leader suffered declines in tea sales, Yorkshire Tea saw sales increase to £81.5 million and the opponent's Yorkshire Gold was a key driver in this increase. Exhibited at DD2 is a copy of the front page of "*The Brexit Issue*" dated 18 March 2017 which lists Yorkshire Tea and Yorkshire Gold as two of Britain's biggest brands;
- Yorkshire Gold is stocked in all major supermarkets including Tesco, Asda, Sainsbury's and Waitrose;
- Marketing spend for Yorkshire Gold tea in 2018 was around £1.2 million. Details of marketing campaigns run in 2014, 2015, 2017 and 2018 are provided, all of which feature both the word-only and the figurative earlier marks.

Witness statement of Ian Brabbin

17. Ian Brabbin is the Head of the opponent's company, a position he has held since 2002. He states that he contacted several UK tea professionals to ask if they would provide industry verification of the quality and reputation of the opponent's Yorkshire Gold tea. He provides four emails from independent experts in the industry¹. These state that Yorkshire Gold tea is one of the top UK tea brands and is recognised as superior tea within the UK tea market.

Witness statement of Gina Stringer

18. Gina Stringer is a Brand PR manager at the opponent's company, a position she has held since October 2016. Ms Stringer states that Yorkshire Gold is a leading premium tea brand in the UK and has won several Sainsbury's Magazine Awards, namely Best Start to the day (2015) and Best Beverage (2017 and 2019) as well as Great Taste Awards, including in 2009, 2010, 2011 and 2013 (Exhibit LJ1). She provides print outs from various retailers' websites and examples of the opponent's largest marketing campaigns. Exhibit LJ2 consists of a copy of an article from The Press headed "*Tea sale plummet UK-wide ...but Yorkshire Tea bucks the trend*". It describes Yorkshire Tea as the third largest standard black tea brand in the UK, with a 13.3 percent share of the market. Exhibit LJ3 is an article from The Sun newspaper dated 10 October 2018 about swapping from top brands to own labels to save cash. Yorkshire Gold is one of the brands listed with the figurative earlier mark being featured.

The applicant late-filed evidence in reply and submissions

19. Mr Pickin's late-filed evidence consists of four witness statements, the first one being from Mr Pickin himself and the other three being from some of the applicant's consumers. I have read Mr Pickin's evidence and further comments in their entirety. The salient points that were raised in response were:

¹ Personal details have been redacted

- the applicant's e-liquid products are different from the opponent's tea and cannot be confused;
- other companies selling poor quality e-liquid has nothing to do with the opponent;
- the exhibits to Mr Wylie's witness statement regarding health concerns relating to use of e-cigarettes are misleading and various articles from Public Health England, Gov.uk and Cancer Research UK have found that vaping is 95-97% safer than smoking;
- three consumers of the applicant's e-liquid products state that the applicant's products are of the highest quality and that they would not be confused with the parties' products;
- Mr Pickin accepts that he is not able to comments on the new evidence filed by Mr Wylie as he is not qualified. However, he states that the deaths reported should not be blamed on vaping *per se* because they have been caused by the material that have been vaped, namely THC, an ingredient which is available on the black market, but it is not standard e-liquid.

The objection based upon Sections 5(2)(a) and (b)

20. Section 5(2)(b) of the Act reads:

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

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

(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.”

21. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b) subject to its being so registered.”

22. The two marks upon which the opponent relies qualify as earlier marks under the above provisions. One of the two earlier marks, i.e. the word only mark, has been registered for more than five years at the date the application was published and it is subject to proof of use. However, as the applicant has chosen not to subject the opponent to proof of use, the opponent is entitled to rely upon its marks in relation to all of the goods indicated without having to prove that genuine use has been made of them.

Comparison of goods

23. The grounds of opposition under Section 5(2)(a) and (b) of the Act require at least some degree of similarity between the goods. The goods and services to be compared are:

Applicant's goods	Opponent's goods
<p><u>Class 34</u>: <i>Electronic cigarette liquid [e-liquid] comprised of propylene glycol; Electronic cigarette liquid [e-liquid] comprised of vegetable glycerin; Flavourings, other than essential oils, for use in electronic cigarettes.</i></p>	<p>The Earlier Figurative Mark</p> <p><u>Class 30</u>: <i>Infusion products, teabags, leaves, plant extracts, fruit extracts and herbal extracts for making hot beverages; coffee; coffee beans; ground coffee; flavoured coffee; artificial coffee; coffee capsules; coffee pods; caffeine free coffee; coffee-based beverages; coffee substitutes; tea; herbal teas; fruit teas; tea substitutes; tea pods; iced tea; cocoa; hot chocolate; flavourings for beverages.</i></p>
	<p>The Earlier Word-Only Mark</p> <p><i>Tea included in Class 30</i></p>

24. In comparing the respective specifications, all the relevant factors should be taken into account. 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:

“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”.

25. 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.

26. In *Kurt Hesse v OHIM* (Case C-50/15 P), the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, (Case T-325/06), the General Court (GC) stated that “complementary” means:

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

Mr Wylie’s submissions on similarity of goods

27. Mr Wylie initially focused his oral submissions on the clash between the applicant’s *flavourings, other than essential oils, for use in electronic cigarettes* and the opponent’s *flavourings for beverages*.

28. Mr Wylie began by bringing to my attention Ms Goulding’s evidence that food flavourings can be used as vape juice as long as they are properly diluted (Exhibit LG1). He also referred to the evidence that consumers have mistaken food flavourings

for vape juice to the point that manufacturers of food flavourings had to actually put a disclaimer on their website which says: “THIS IS NOT VAPE JUICE” (Exhibit LG1). From this Mr Wylie concluded that the goods are similar. He then turned to consider the *Canon* criteria as follows:

- The nature of the goods is identical/similar in that both sets of goods are concentrated flavourings sold in a liquid form in small bottles;
- The uses are similar in that both sets of goods are flavourings used for human consumption of some kind. Further the opponent’s food flavourings can be used in ‘DIY’ vape juices and/or by manufacturers of vape juices;
- The goods are complementary in the sense of being interchangeable and it would be a natural extension of trade for manufacturers.

29. As regards the comparison between the applicant’s *Electronic cigarette liquid [e-liquid] comprised of propylene glycol*; *Electronic cigarette liquid [e-liquid] comprised of vegetable glycerine* and the opponent’s *flavourings for beverages*, Mr Wylie repeated his submission that the evidence of confusion between e-liquids and food flavourings demonstrates the similar nature of the goods. In terms of trade channels, he submitted that they are similar. In this connection, he relied on Ms Goulding’s evidence that both e-liquids and food flavourings can be bought by consumers from the same online retailer, i.e. Amazon. Further, he submitted that notional and fair use of the respective goods include goods flavoured with the same flavours, so there could be, say, a tea-flavoured YORKSHIRE GOLD e-liquid and a tea-flavoured YORKSHIRE GOLD flavouring for beverages, both presented on the same website, e.g. eBay or Amazon. This, according to Mr Wylie, would increase the likelihood of the goods being directly confused by the average consumer.

30. Moving on to the comparison between the applicant’s goods and the opponent’s *tea*, Mr Wylie reiterated the submission that the applicant’s specification include tea-flavoured products. This, Mr Wylie stated, creates a certain degree of similarity in term of nature because the competing goods have tea and tea-flavour as their primary characteristic and flavour is an essential aspect of the opponent’s e-liquids. In term of uses, Mr Wylie argued that both tea and tea-flavoured liquids and flavourings for use

in electronic cigarettes are used for refreshment, although, he admitted that the nature of the refreshment is different in each case. He also submitted that users might overlap as there will be some tea drinkers who also vape, however, he recognised the limit of the argument as the assessment could potentially lead to everything being similar. Finally, Mr Wylie argued that the goods are complementary in the sense that consumers might believe that tea-flavoured e-liquids and flavourings for use in electronic cigarettes are licenced by tea-manufacturers. According to Mr Wylie, although the goods are not similar to the highest degree, the degree of similarity involved is enough to give rise to a likelihood of confusion.

31. *Similarity between the opponent's flavourings for beverages and the applicant's flavourings, other than essential oils, for use in electronic cigarettes.* With regard to the assessment of the similarity of these goods, the highest point of the opponent's case is the evidence that "According to Veppo Cig, vape juice is "a mixture of water, food-grade flavouring, a choice of nicotine levels or zero nicotine, and propylene glycol (PG) or vegetable glycerine". This suggests that the flavour ingredients used in the manufacture of the applicant's products are food flavourings. However, it does not demonstrate that food flavourings and flavourings for use in electronic cigarettes are fungible. On the contrary, the evidence shows that people mistakenly vaping food flavourings gave bad reviews and that a manufacturer of food flavourings put a disclaimer on its products to alert consumers that they are not vape juices. It also shows that the goods are not marketed as mutually interchangeable and the facts reported are not examples of ordinary use of the goods in question.

32. Even if it can be argued that the basic flavour chemical used to give a specific flavour to food flavourings and flavourings for use in electronic cigarettes is the same, there is no evidence that the final product is the same. More likely, in my view, the common ingredient must have undergone a different manufacturing process to make it safe to eat and vape respectively. This takes me to the next point.

33. Even if food flavourings are used as an ingredient for flavourings for use in electronic cigarettes, "the mere fact that a particular good is used as a part, element or component of another does not suffice in itself to show that the finished goods containing those components are similar since, in particular, their nature, intended

*purpose and the customers for those goods may be completely different*².” This is the case here; albeit, at a very high level of generality, flavourings for beverages and flavourings for use in electronic cigarettes are all types of “flavourings”, the intended purpose of those two categories of goods is essentially different, that is to say to mix beverages and to refill electronic cigarette cartridges. The nature, intended purpose, uses, users and methods of use are different.

34. Further, the evidence does not establish that manufactures of flavourings for use in electronic cigarettes also sell food flavourings for beverages under the same brand and, from the perspective of the average consumers of the goods, what is important is the type of flavour/taste purchased, not the flavour ingredient/additive itself. Consequently, I doubt that the average consumer will even be aware that the opposing goods might use the same flavour ingredient, and, in any event, it is in my view highly unlikely that consumers will perceive the goods as complementary.

35. As to whether the goods are in competition, some evidence suggests that some people might attempt to make their own DIY e-liquid using food flavourings, however, there is no information about whether the practice is safe and whether it is considered to be “normal”, so I do not accept that, from the perspective of the average consumer, who is well-informed, the goods are competitive.

36. Finally, as regards the channels of trade, there is no evidence that vape shops also sell food flavourings. Even if the respective goods might be offered in the same supermarkets or retail stores, they are unlikely to be found in close proximity. As regards the fact that the goods can be sold by online by retailers such as Amazon, this is not a sufficient basis to find that they are sold through the same channels of trade. Such retailers sell such a broad range of goods that the logical consequence would be that all goods they sell are similar to each other. Clearly, this is not the case. Further, one of the articles pointed out that *“When you search for vape juice on Amazon, the top results point shoppers to Capella’s Flavour drops – an observation pointed out by one reviewer who wrote: “This is not what I wanted. Your product was listed under vape juice for smoking not flavour drops. You misrepresented your*

² *Les Éditions Albert René v OHIM*, Case T-336/03.

product”, which clearly indicates that consumers do not expect the goods to be presented under the same category. I therefore conclude that the goods in question cannot be considered to be similar. **These goods are dissimilar.**

37. Similarity between the opponent’s flavourings for beverages and the applicant’s electronic cigarette liquid [e-liquid] comprised of propylene glycol; electronic cigarette liquid [e-liquid] comprised of vegetable glycerine. Whilst I accept that, as Mr Wylie pointed out, the use of flavour in e-liquids is a central focus for those marketing vaping products, it does not bring the goods closer in terms of the criteria enumerated in *Canon*. Further, opponent’s goods are designed for mixing beverages, not e-liquids. The applicant’s goods are therefore two steps removed from the opponent’s goods. **These goods are dissimilar.**

38. Similarity between the opponent’s tea and the applicant’s goods. As regards the comparison between the opponent’s tea and the applicant’s products, Mr Wylie’s submission took into account the similarity or identity of the marks at issue in the sense that, notional use of the parties’ goods would include tea flavoured e-liquids and tea sold under the same brand name, i.e. Yorkshire Gold. However, the similarity of the marks is a relevant factor for the assessment of the likelihood of confusion, NOT of the similarity of the goods. There is no warrant in *Canon* for taking more than the competing goods into account. Further, the fact that part of the relevant public may vape and drink tea at the same time, does not make the goods similar from a trade mark perspective. Clearly, the nature, intended purpose, uses, users and methods of use are so different that it follows that the respective goods are not in competition or complementary in any way. **These goods are dissimilar.**

39. In *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, Lady Justice Arden stated that:

“49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover, I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered.”

40. For there to be any possibility of a likelihood of confusion, there must be at least some degree of similarity between the goods at issue.

41. Consequently, as the goods at issue have been found to be dissimilar, there can be no possibility of confusion and the opposition under Section 5(2)(a) and 5(2)(b) of the Act fails.

Section 5(4)(a)

42. Section 5(4)(a) states:

“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.”

43. 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)."

44. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O410-11, Daniel Alexander QC, sitting as the Appointed Person, considered the relevant date for the purposes of section 5(4)(a) of the Act and concluded as follows:

"43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceeding 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 applicant has not filed any evidence to support that it has used its mark before it applied to register it. The relevant date for assessing whether Section 5(4)(a) applies, therefore, is the date of the application which is the subject of these proceedings - 10 March 2018.

Goodwill

46. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a

business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

47. The opponent’s claim to goodwill is supported by the evidence that YORKSHIRE GOLD is a leading premium tea brand in the UK and by the turnover figures referred to above. These are very high and represent a market share of 2.2% of the black tea market. Taking all of the evidence into account, I am satisfied that the opponent has acquired a strong goodwill in relation to tea.

Misrepresentation

48. 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. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), Millet L.J. made the following findings about the lack of a requirement for the parties to operate in a common field of activity, and about the additional burden of establishing misrepresentation and damage when they do not:

“There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff’s business. The expression “common field of activity” was coined by *Wynn-Parry J. in McCulloch v. May* (1948) 65 R.P.C. 58, when he dismissed the plaintiff’s claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation Ltd.* (1898) 15 R.P.C. 105 (cameras and bicycles); *Walter v. Ashton* [1902] 2 Ch. 282 (The Times newspaper and bicycles) and is now discredited. In the *Advocaat* case Lord Diplock expressly recognised that an action for passing off would lie although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego* case *Falconer J.* acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the *Lego case Falconer J.* likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion, it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

‘even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.’

In the same case Stephenson L.J. said at page 547:

'...in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged "passer off" seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser said in the *Advocaat* case, be substantial.' "

50. In *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, Kitchin LJ considered the role of the average consumer in the assessment of a likelihood of confusion. Kitchin L.J. concluded:

"... if, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement."

51. Although this was an infringement case, the principles apply equally under Section 5(2): see *Soulcycle Inc v Matalan Ltd*, [2017] EWHC 496 (Ch). In *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, Lewinson L.J. had previously 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. However, in the light of the Court of Appeal's later judgment in *Comic Enterprises*, it seems doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes. This is because they are both normative tests intended to exclude the particularly careless or careful, rather than quantitative assessments.

52. The goods on which the applicant wishes to use its mark are liquids and flavourings for use in electronic cigarettes. These are wholly different goods from the opponent's tea. Further, although Mr Wylie made the point, there is no evidence that an expansion from tea to e-liquids (and/or flavourings for use in electronic cigarettes) is common and, in my view, the public would not expect such diversification of trade. Neither, is there any evidence that YORSHIRE GOLD, or other manufacturers in the food sector, are well-known for licensing their brands to vaping companies. For these reasons, I do not think that a substantial number of members of the public will be misled into purchasing the applicant's goods in the belief that it is the opponent's or that there is an economic association of some sort.

53. Whilst recognising the difference in legal tests between likelihood of confusion and misrepresentation, the outcome is the same. **The passing off ground fails.**

Section 5(3)

54. Section 5(3) states:

“(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 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.”

55. 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 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; *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 on 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*).

56. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

57. The relevant date for the assessment under Section 5(3) is the application date - 10 March 2018.

Reputation

58. Having considered the evidence filed, including the volume of the sales, the promotion of the mark and the advertising expenditures, the length of use and the degree of commercial awareness and recognition, it is clear that both earlier marks enjoy a significant reputation in respect of tea and that the brand YORKSHIRE GOLD is a very well-known premium brand amongst consumers of tea.

Link

59. My assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

- i. *The degree of similarity between the conflicting marks.* I shall limit my consideration to the earlier word-only mark as the figurative mark is less similar. The applicant's mark and the word-only earlier mark consist of the words Yorkshire Gold/YORKSHIRE GOLD. Registration of a word only mark covers use in any standard typeface and so differences created by the use of upper, lower or title case will be irrelevant. The marks are identical.
- ii. *The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public.* The opponent's mark has a reputation for tea and the applicant's mark

covers e-liquids and flavourings for use in electronic cigarettes. Under Section 5(2) I considered the goods to be dissimilar.

- iii. *The strength of the earlier mark's reputation.* The opponent's mark is one of the leading premium tea brands in the UK and enjoys a significant reputation.
- iv. *The degree of the earlier mark's distinctive character, whether inherent or acquired through use.* The opponent's mark consists of the words YORKSHIRE GOLD. Yorkshire is the name of a geographical location in the UK but there is no evidence of any link between this location and tea. The element GOLD has a strong allusion to quality, but the element YORKSHIRE is the dominant component. In my view the mark is inherently distinctive to a medium degree and the use made of YORKSHIRE GOLD has enhanced this inherent degree to high.
- v. *Whether there is a likelihood of confusion.* As the goods were found to be dissimilar, there can be no likelihood of confusion.

60. In his skeleton arguments Mr Wylie submits:

"...Notional fair use is relevant - the Applicant's goods would include tea flavoured e-liquids or tea-flavoured flavourings.

Flavour is an important factor in e-liquids. This makes it more likely that food and beverages brands are brought to mind, especially when an identical mark is used for those products. Common in the vape industry is to "ape" famous brands. Consumers are used to see 'aped' version of brands on vape liquids (RED BULL, STARBUST, SKITTLES, JUICY FRUIT, all have been subject of litigation in the UK or USA). As a result, upon seeing YORKSHIRE GOLD, consumers are more likely to see this either as genuine or an unauthorised 'fake' of the opponent's product, or at least a reference to it, rather than seeing it as a genuine and independent brand".

61. It is true that the marks are the same, but the goods are dissimilar: tea *versus* liquids and flavourings for use in electronic cigarettes. That said, the identity of the marks, coupled with the strong reputation and distinctiveness (through use) of the earlier mark, is in my view, sufficient to bring the earlier mark to mind. This is all the more so considering Mr Wylie's evidence relating to the use of third-party brands in the marketing of e-liquid products which imitate popular confectionary and drinks flavours. In this connection, I agree with Mr Wylie's submission that the fact that the mark YORKSHIRE GOLD may be used in relation to tea-flavour products for use in electronic cigarettes is a relevant factor which must be considered. In those circumstances, a mental link is clearly established.

DAMAGE

Unfair advantage

62. I shall begin with the opponent's claim as regards unfair advantage to the repute of its earlier trade mark.

63. 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.”

64. 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.”

65. The applicant stated, in his defence, that the name YORKSHIRE GOLD was chosen because the applicant's company is based in West Yorkshire and the applicant's e-liquid products are of the highest standard. Whilst there is no evidence of any intention on the applicant's part, as the above case-law makes clear, the unfairness of the advantage being taken is not conditional upon the opponent establishing that the applicant deliberately intended to exploit its reputation. Further, I do not believe that the applicant's explanation of the choice of their name qualifies as 'due cause' under Section 5(3) (and, in any event, the defence has not been expressly pleaded).

66. Under this head of damage, Mr Wyle put his objection in the following terms:

“43. Substantial investment by the Opponent to promote and build up its reputation and goodwill in YORKSHIRE GOLD. The Applicant seeks to free-ride off the coat tails. Having made a link, consumers will be more likely to buy the Applicant’s product:

- a) by assuming this is a product that is licensed, endorsed by or manufactured by the manufacturer of YORKSHIRE GOLD;*
- b) by assuming this to be an ‘imitation’ not made by the Opponent, but of equivalent taste and/or quality to the opponent’s YORKSHIRE GOLD tea;*
- c) by wanting to be associated with the prestige of the YORKSHIRE GOLD, i.e. similar to buying a CRISTAL cava; or*
- d) simply by associating the Contested Goods, at the time of purchase with the general aura and quality they are familiar with and associate with YORKSHIRE GOLD.*

44. In each scenario, the Applicant immediately increases sales, without going to the effort of building their own brand and marketing and educating the public as to the virtues of their own brand.

45. Many cases pending in the courts and tribunals around the world, highlights the way that Vape manufactures are seeking to take advantage, including JUICY FRUIT, RED BULL, SKITTLE STARBURST. This is a reality of the market.”

67. In *Lonsdale Sports Limited v Erol*, [2013] EWHC 2956 (Ch), Norris J. rejected a claim that there was a likelihood of confusion between the appellant’s mark and the respondent’s mark. However, he found that:

“34. As I have said above, at a first glance the block of text in the Respondent's Mark looks like something that Lonsdale might be connected with (a first impression soon dispelled in the case of the average consumer). But that first glance is important. Those who look at the wearer of a product bearing the Respondent's Mark might not get more than a glance and might think the wearer was clad in a Lonsdale product. The creation of that illusion might be quite enough for the purchaser of a "look-alike" product: indeed, who but such a person would

knowingly buy a "pretend" product? Further, it undoubtedly dilutes the true "Lonsdale" brand by putting into circulation products which do not proclaim distinctiveness but rather affinity with a reputable brand.

35. In my judgment the case under s.5(3) was made out on the evidence as found by the Hearing Officer."

68. Further, in Case C-487/07, *L'Oréal SA v Bellure NV*, the CJEU provided the following guidance:

"Article 3a(1) of Directive 84/450, as amended by Directive 97/55, must be interpreted as meaning that an advertiser who states explicitly or implicitly in comparative advertising that the product marketed by him is an imitation of a product bearing a well-known trade mark presents 'goods or services as imitations or replicas' within the meaning of Article 3a(1)(h). The advantage gained by the advertiser as a result of such unlawful comparative advertising must be considered to be an advantage taken unfairly of the reputation of that mark within the meaning of Article 3a(1)(g)."

69. The above comments were made in very different circumstances from the present case. In both cases the goods of each side were identical, but the marks were less similar. Here we have different goods, but identical signs. Further, in the above cases, the issue of the "imitation" arose in the context of claims that "look-alike" and "smell-alike" products took advantage of earlier protected marks with reputation. Here the opponent is alleging that the applicant's vaping products cover goods which might, potentially, taste like its famous brand of tea.

70. Nevertheless, the underlying principle is valid, i.e. unfair advantage of marks with reputation can be taken in the form of goods being presented as an imitation and replica. In this connection, although I recognise that the comments of the CJEU were made in the context of infringement proceedings by reference to Directive 84/450 concerning misleading advertising, the Court also stated, at § 77 that "*As regards, in the second place, Article 3a(1)(g) of Directive 84/450, which provides that comparative advertising must not take unfair advantage of the reputation of a trade mark, the*

expression ‘take[s] unfair advantage’ of that reputation, which is used both in that provision and in Article 5(2) of Directive 89/104, must, in the light of recitals 13 to 15 in the preamble to Directive 97/55, in principle be given the same interpretation [...]’.

71. Turning to the facts of the case, there is no evidence that the applicant wanted to use the name YORKSHIRE GOLD to send a message to its potential customers that its e-liquids and flavourings for use in electronic cigarettes taste like the opponent’s well-known tea. However, the applicant’s goods are not restricted in any way and, as the opponent correctly argued, cover tea-flavoured products. Taking into account this probability together with the evidence filed by the opponent in relation to infringement cases relating to use by vaping companies of famous brands as a mean of marketing a range of “taste-alike” e-liquids, it is *prima facie* likely that use by the applicant of the contested mark in the circumstances envisaged by the opponent, will benefit the marketing of the applicant’s goods. This will concomitantly have an impact on the economic behaviour of the relevant public, with the average consumer of e-liquids and flavourings for use in electronic cigarettes more likely to purchase the applicant’s products, than he would have been in the absence of the perceived connection with the opponent’s earlier mark with reputation. This will provide an advantage because the applicant will save on marketing costs and it will create an immediate impact in the market via an investment in promotion that it did not have to make itself. This, in my view, makes any advantage gained unfair. **The ground under Section 5(3) succeeds.**

72. The opponent has made other claims under Section 5(3). Given the opponent has succeeded under this ground, I comment only briefly about the two other forms of potential damage, dilution and tarnishing.

Tarnishing and dilution

73. Detriment can take the form of either making the earlier mark less distinctive – dilution, or less attractive – tarnishing.

74. In relation to dilution, the opponent is, on the evidence before me, unique in calling its product YORKSHIRE GOLD. However, I can see no reason why the capacity of

the earlier mark to distinguish the opponent's tea would be diminished to any extent, and certainly not one that would have any impact on the economic behaviour of the relevant public. That being the case, I reject the claim.

75. In relation to tarnishing Mr Wylie referred me to the decision of my fellow Hearing Officer in *NIVEA*, BL-564-18, where she found that use of the mark NIVEA in relation to cigarettes and other smoking related goods had a detrimental effect on the reputation of NIVEA as a brand for cosmetics products. However, the comparison in that case was starker as it was found that (1) the applicant's goods would be perceived as being harmful to health with some of the goods being proven to be directly cancer causing and (2) the opponent's reputation was in skincare products and the opponent had run a campaign focussing upon the effects of skin cancer.

76. Whilst the opponent has filed some evidence to show that the applicant's goods have been linked to a number of deaths in the USA, it is after the relevant date. There is no other evidence that, at the relevant date, vaping was widely recognised in the UK as causing cancer or deaths, or indeed, a threat to children and, as Mr Pickin said, the perception in the UK is still that e-cigarettes are safer than smoking.

77. My conclusion is therefore that it is unlikely that the applicant's goods would "appeals to sensations³" of the opponent's public, i.e. tea drinkers, in such a way that the power of attraction of the opponent's mark is reduced. The claim is dismissed.

CONCLUSIONS

78. The opposition succeeds in its entirety.

COSTS

79. As the opponent has been successful, it is entitled to a contribution towards its costs. Using the guidance in Tribunal Practice Notice 2/2016, I award the opponent costs on the following basis:

³ *Premier Brands UK Ltd v Typhoon Europe Ltd* [2000] FSR 767

Opposition fees:	£200
Preparing a statement and considering the other party's statement:	£300
Preparing evidence and written submissions:	£700
Attending a hearing:	£700
 Total:	 £1,900

80. I order Juice Cabin Limited to pay Bettys & Taylors Group Limited the sum of £1,900. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21st day October 2019

T Perks

For the Registrar

The Comptroller – General