

O/666/19

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF INTERNATIONAL REGISTRATION NO. WO0000001376324

DESIGNATING THE UNITED KINGDOM

IN THE NAME OF KORA ORGANICS BY MIRANDA KERR PTY LTD:

KORA ORGANICS

IN CLASSES 3 AND 5

AND OPPOSITION THERETO UNDER NO. 413462 BY

CORRINE HAYFORD-KWATCHEY

AND

IN THE MATTER OF REGISTRATION NO. UK00003245071 FOR THE MARK:

Kora Naturals

IN THE NAME OF CORRINE HAYFORD-KWATCHEY

AND AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO. 502279

BY KORA ORGANICS BY MIRANDA KERR PTY LTD

BACKGROUND AND PLEADINGS

1. International trade mark 1376324 (“the 324 IR”) consists of the following sign:

KORA ORGANICS

2. The holder is KORA Organics by Miranda Kerr Pty Ltd (“KO”). The 324 IR is registered with effect from 3 October 2017. With effect from 6 December 2017, KO designated the UK as a territory in which it seeks to protect the 324 IR under the terms of the Protocol to the Madrid Agreement. KO seeks protection for the mark in relation to the following goods:

Class 3 Soaps and cosmetics, including skin care, hair care, body care, and make-up products; essential oils; hair lotions; all being of organic origin.

Class 5 Pharmaceutical preparations; medicinal preparations; dietary supplements; nutritional supplements; plant and herb extracts (dietary supplements); antioxidants (dietary supplements); vitamins; vitamin preparations and vitamin supplements; mineral preparations and mineral supplements; dietetic foods and beverages adapted for medical purposes; vitamin and mineral drinks; natural pharmaceutical products; medicinal healthcare products; herbal remedies; medicinal and pharmaceutical body care preparations including cleansers, creams, gels, lotions, sprays, oils, powders, balms and elixirs; medicinal and pharmaceutical preparations for care of the body, nails, skin, mouth and hair; all being of organic origin.

3. The request to protect the 324 IR was published in the UK for opposition purposes on 18 May 2018. Corrine Hayford-Kwatchey partially opposes the designation under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). Ms Hayford-Kwatchey relies on UK registration no. 3245071 (“the 071 Mark”) for the trade mark **Kora Naturals** which was filed in the UK on 20 July 2017 and registered on 13 October 2017. The opposition is directed against the following goods in the specification of the 324 IR:

Class 3 Soaps and cosmetics, including skin care, hair care, body care, and make-up products; essential oils; hair lotions; all being of organic origin.

Class 5 Medicinal and pharmaceutical body care preparations including cleansers, creams, gels, lotions, sprays, oils, powders, balms and elixirs; medicinal and pharmaceutical preparations for care of the body, nails, skin, mouth and hair; all being of organic origin.

4. Ms Hayford-Kwatchey relies on all goods for which the 071 Mark is registered, namely:

Class 3 Skincare cosmetics; Skincare preparations; Anti-aging skincare preparations.

5. Ms Hayford-Kwatchey claims there is a likelihood of confusion because the marks are similar and the goods are identical or similar.

6. KO filed a counterstatement denying the claims made.

7. On 5 October 2018, KO applied to have the 071 Mark declared invalid under section 47 of the Act. The application for invalidity is directed against the 071 Mark in its entirety. The application is based upon section 5(2)(b) of the Act. KO relies upon the following marks:

KORA

IR designating the UK no. 1375271

International registration date: 28 September 2017

Date of designation: 6 December 2017

Date protection granted in UK: 7 August 2018

Priority date: 14 July 2017

Relying on all goods for which the mark is registered, namely:

Class 5 Pharmaceutical preparations; medicinal preparations; dietary supplements; nutritional supplements; plant and herb extracts (dietary supplements); antioxidants (dietary supplements); vitamins; vitamin preparations and vitamin supplements; mineral preparations and mineral supplements; dietetic foods and beverages adapted for medical purposes; vitamin and mineral drinks; natural pharmaceutical products; medicinal healthcare products; herbal remedies; medicinal and pharmaceutical body care preparations including cleansers, creams, gels, lotions, sprays, oils, powders, balms and elixirs; medicinal and pharmaceutical preparations for care of the body, nails, skin, mouth and hair.

("the 271 IR")

KORA ORGANICS BY MIRANDA KERR

IR designating the UK no. 1277447

International registration date: 10 July 2015

Date of designation 10 July 2015

Date protection granted in UK 5 May 2016

Relying on all goods and services for which the mark is registered, namely:

Class 3 Soaps, perfumeries, and cosmetics including skin care, hair care, body care, and make-up products; essential oils; hair lotions.

Class 35 Promotion, marketing, and advertising services; retail services, including online retail store services relating to soaps, perfumeries and cosmetics.

Class 44 Beauty salons, hairdressing salons, health care, physical therapy, consultation in the field of cosmetic skin treatment; hygienic and beauty care services.

("the 447 IR")

8. KO claims there is a likelihood of confusion because the respective marks are similar, and the goods and services are identical or similar.

9. Ms Hayford-Kwatchey filed a counterstatement denying the claims made.

10. Ms Hayford-Kwatchey filed a witness statement dated 25 March 2019. KO filed evidence in the form of the witness statement of Brett Riddington dated 22 March 2019. A hearing took place before me on 8 October 2019, by video conference. Ms Hayford-Kwatchey was represented by Mr David Fry, of Agile IP LLP and KO was represented by Mr Benjamin Longstaff of Counsel, instructed by Barker Brettell LLP.

EVIDENCE

KO's Evidence

11. As noted above, KO's evidence consists of the witness statement of Mr Riddington dated 22 March 2019, which is accompanied by 18 exhibits. Mr Riddington is the General Manager of KO, a position he has held since March 2017. I have read Mr Riddington's evidence in its entirety and, in particular, I note as follows:

a) The business was founded in 2006, with the products being launched in 2009.¹

b) The business now sells its products in 25 countries, in more than 2,500 stores, as well as shipping to 80 countries worldwide (with shipping to the UK starting in November 2012).²

c) The business was referenced in Harper's Bazaar, Cosmopolitan and Vogue between 2012 and 2014.³

d) Approximate sales figures for KORA branded goods in the UK are as follows:

¹ Witness statement of Mr Riddington, para. 2 and 3

² Witness statement of Mr Riddington, para. 4

³ Exhibit BR03 and BR14

2012	£4,733
2013	£86,224
2014	£97,037
2015	£71,333
2016	£51,346
2017	£87,444
2018	£126,535 ⁴

e) The business has won a number of awards, but it is not clear the dates on which these awards were won.⁵

Ms Hayford-Kwatchey's Evidence

12. As noted above, Ms Hayford-Kwatchey's evidence consists of a witness statement prepared by herself dated 25 March 2019, which is accompanied by 8 exhibits. Ms Hayford-Kwatchey is a sole trader, trading as Kora Naturals. Ms Hayford-Kwatchey states that she started trading in 2010. I have read Ms Hayford-Kwatchey's evidence in its entirety and, in particular, I note as follows:

a) The brand name originated from the name for the plant "Calabash" in the Twi language.⁶

b) The business has exhibits at various markets and shows.⁷

c) The business won an Editor's Choice Award from the Beauty Shortlist and has been selected as a finalist in the Pure Beauty Global Awards for Best new Inclusive Product or Collection.⁸

13. Ms Hayford-Kwatchey also identifies the differences between the parties' target markets, sales outlets and ingredients.

⁴ Witness statement of Mr Riddington, para. 9

⁵ Exhibit BR15

⁶ Exhibit CHK-01 and CHK-02

⁷ Witness statement of Ms Hayford-Kwatchey, para. 13 to 14

⁸ Witness statement of Ms Hayford-Kwatchey, para. 17

DECISION

The Invalidation Application

14. Section 5 of the Act has application in invalidation proceedings because of the provisions set out in section 47. The relevant legislation is set out below:

“47. –[...]”

(2) The registration of a trade mark may be declared invalid on the ground-

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

(b) that there is an earlier right in relation to which the condition set out in section 5 (3) is satisfied

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

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

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

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.”

15. Neither the 271 IR nor the 447 IR are subject to proof of use as they completed their registration process less than 5 years before the date on which the invalidation application was made.

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

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

(a) [...]

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

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

17. 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.”

18. Given their filing and priority dates, the 271 IR and the 447 IR qualify as earlier trade marks under the above provisions.

Section 5(2)(b) – case law

19. The following principles 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 greater degree of similarity between the marks, and vice versa;

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

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

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

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

Comparison of goods and services

20. The competing goods and services are as follows:

KO's goods and services (the invalidation applicant)	Ms Hayford-Kawtchey's goods (the registered proprietor)
<p>The 271 IR</p> <p><u>Class 5</u></p> <p>Pharmaceutical preparations; medicinal preparations; dietary supplements; nutritional supplements; plant and herb extracts (dietary supplements); antioxidants (dietary supplements); vitamins; vitamin preparations and vitamin supplements; mineral preparations and mineral supplements; dietetic foods and beverages adapted for medical purposes; vitamin and mineral drinks; natural pharmaceutical products; medicinal healthcare products; herbal remedies; medicinal and pharmaceutical body care preparations including cleansers, creams, gels, lotions, sprays, oils, powders, balms and elixirs; medicinal and pharmaceutical preparations for care of the body, nails, skin, mouth and hair.</p> <p>The 447 IR</p> <p><u>Class 3</u></p> <p>Soaps, perfumeries, and cosmetics including skin care, hair care, body care, and make-up products; essential oils; hair lotions.</p> <p><u>Class 35</u></p>	<p>The 071 Mark</p> <p><u>Class 3</u></p> <p>Skincare cosmetics; Skincare preparations; Anti-aging skincare preparations.</p>

Promotion, marketing, and advertising services; retail services, including online retail store services relating to soaps, perfumeries and cosmetics.	
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Class 44

Beauty salons, hairdressing salons, health care, physical therapy, consultation in the field of cosmetic skin treatment; hygienic and beauty care services.	
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21. When making the comparison, all relevant factors relating to the goods and services in the specifications 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 of its judgment that:

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

22. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- (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.

23. At the hearing, Mr Fry emphasised that this is not a case in which both parties are targeting the same markets. Indeed, KO sell their products through high end retailers and target the high-end beauty product market, whereas Ms Hayford-Kwatchey sells her products in various market stalls. Further, Ms Hayford-Kwatchey's products have the additional differential of using ingredients sourced from Ghana. Mr Fry stated:

“I think it has been long established in law and procedurally that there is a global assessment test when looking at the likelihood of confusion. You cannot just take the notional use of a trade mark on its own as the only factor in this regard. As my skeleton argument says in the *Canon* case that it has made it very clear that you have to consider a lot of factors surrounding the particular case. These include, for example, the intended purpose, whether the goods are complementary, whether they are interchangeable and their distribution channel points. I do not think you can ignore those and simply say you just look at what the wording is on the registrations. The claimant suggested that that is the test. It is basic notional use. I think that notional use is only used really in the deciphering phase of a trade mark and it is certainly not the overriding factor when one or both parties have not used the mark and we have to try and work out what their use will be. Both parties have been using the trade marks for six years or so. I think the trade channels and the way that they have been used are pretty clear and set. So I do not think that notional use is particularly relevant in this case.

24. He went on to state:

“The intended purpose of the goods of the opponent is to provide a cosmetic brand to the African community that has cultural significance. That is very clear from all the evidence and all her sales channels that she has used to date.

[...] the intended purpose of the goods carrying the KORA brand seems to be to provide a high-end brand to premium retailers, which is linked to an Australian model, Miranda Kerr, deserving of that stature. I think the two intended purposes cannot be much different, I would say.”

25. It seems to me, that Mr Fry was addressing here the intended purpose of the minds behind the brands rather than the intended purpose of the goods themselves. But, in any event, in *O2 Holdings Limited, O2 (UK) Limited v Hutchinson 3G UK Limited* (Case C-533/06), the Court of Justice of the European Union (“CJEU”) stated at paragraph 66 of its judgment that when assessing the likelihood of confusion in the context of registering a new trade mark, it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered. This was endorsed by the Court of Appeal in *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220. The same applies to applications for invalidity. I must consider all the circumstances in which KO’s mark and Ms Hayford-Kwatchey’s marks might be used. As Mr Longstaff pointed out at the hearing, whilst they may be operating in different markets now, this might change in the future. It is important to consider all of the possible uses of the marks within the scope of their registration. Differences in target markets and trading styles are, therefore, irrelevant unless they are apparent from the marks’ specifications.

26. In any event, in my view, there is identity between the goods. The General Court (“GC”) confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):

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

27. In *Proctor and Gamble Company v Simon Grogan*, BL O/176/08, Ms Anna Carboni, as the Appointed Person, considered whether different class numbers can prevent goods from being considered similar. She stated:

“31. [...] The International Classification system is used to classify goods and services for the purposes of registration of United Kingdom trade marks pursuant to section 34(1) of the Act and rule 7(2) of the Trade Marks Rules 2000 (as amended).

32. The International Classification system also applies to Community trade marks. Rule 2(4) of Commission Regulation 3868/95/EC implementing the Regulation on the Community trade mark (40/94) states as follows:

(4) The classification of goods and services shall serve exclusively administrative purposes. Therefore, goods and services may not be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification, and goods and services may not be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

33. It is thus made plain under the Community trade mark system that class numbers are irrelevant to the question of similarity of goods and services.

34. There is no similarly plain provision in the Act or the Directive. The Court of Appeal has held that, although the purpose of classifying goods and services is primarily administrative, that does not mean that the class numbers in an application have to be totally ignored in deciding, as a matter of construction,

what is covered by the specification: *Altecnic Ltd's Trade Mark Application (CAREMIX)* [2001] EWCA Civ 1928, [2002] RPC 639. But neither the Court of Appeal, nor the ECJ, nor any other court or tribunal in the United Kingdom, has gone so far as to state that class numbers are determinative of the question of similarity of goods in the case of national trade marks. On the contrary, they are frequently ignored.”

28. I do not consider that the different class numbers in this case mean that the goods cannot be considered identical. The descriptions of the goods are specific and clear and, consequently, the classes in which the goods are registered have no role to play in the interpretation of what the goods are. It follows that the class numbers are irrelevant when it comes to determining whether the goods are identical.

29. “Skincare cosmetics” and “anti-aging skincare preparations” in the specification of the 071 Mark falls within the broader category of “soaps, perfumeries, and cosmetics including skin care, hair care, body care, and make-up products” in KO’s specification. These goods can, therefore, be considered identical on the principle outlined in *Meric*.

30. “Medicinal and pharmaceutical preparations for care of the [...] skin” in KO’s specification falls within the broader category of “Skincare preparations” in the specification of the 071 Mark. These goods can, therefore, be considered identical on the principle outlined in *Meric*.

31. If I am wrong in my finding that the goods are identical, then they will overlap in trade channels, user, uses, method of use and nature and will be highly similar.

The average consumer and the nature of the purchasing act

32. 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 the goods are likely to be selected by the average consumer. 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.”

33. The parties agree that the average consumer is a member of the general public. In his Skeleton Argument and at the hearing, Mr Longstaff suggested that this should be further clarified as “the general High Street consumer certainly, but interested in beauty, appearance and also inner health”. I agree that the average consumer for the goods is a member of the general public. I do not agree that the average consumer would be only those members of the general public with a specific interest in beauty, appearance and/or inner health. There will be some goods which fall into the terms covered by the parties’ specifications which are used for general hygiene and will be used by the general public at large. The goods are unlikely to be particularly expensive and are likely to be purchased reasonably frequently. However, various factors will still be taken into account such as the content of the product, the suitability for the consumer’s particular skin type and the promised effect. Consequently, I consider that a medium degree of attention will be paid during the purchasing process.

34. The goods are most likely to be obtained by self-selection from the shelves of a retail outlet or from an online or catalogue equivalent. I acknowledge that verbal advice may be sought from a sales assistant or representative. Consequently, visual considerations are likely to dominate the selection process, although I do not discount that there will also be an aural component to the purchase of the goods.

Comparison of the marks

35. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and

conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

37. The respective trade marks are shown below:

KO’s trade marks (the invalidation applicant)	Ms Hayford-Kwatchey’s trade mark (the registered proprietor)
<p style="text-align: center;">KORA (the 271 IR)</p> <p style="text-align: center;">KORA ORGANICS BY MIRANDA KERR (the 447 IR)</p>	<p style="text-align: center;">Kora Naturals (the 071 Mark)</p>

38. I note that, at the hearing, Mr Fry stated, with regard to the 447 IR:

“Using Miranda Kerr’s name to push her cosmetic range makes perfect sense. It is exactly where brands pay vast amounts of money to sponsor famous

individuals because they want to link the name. It accelerates the brand. It is very clear, though, that the dominant element of the KORA ORGANICS BY MIRANDA KERR is the MIRANDA KERR part. That is how it is branded and that is how it is targeted. I think also the fact that the MIRANDA KERR part comes second is not insignificant because that is what provides the lasting impression to the user. Any consumer would recognise the model first and then look for the model's cosmetic range. On this occasion, that just happens to be KORA. I don't think that KORA is a driving factor."

39. Mr Longstaff quite correctly noted, in his submissions in reply, that this proposition was contrary to the established case law. As a general rule, the beginnings of trade marks tend to make more of an impact than the ends. For example, see the decision of the General Court in *In El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02. I do not consider that the fact that the end of one of the marks in the present proceedings is the name of a model is sufficient to depart from this general rule and, indeed, Mr Fry did not rely upon any case law to the contrary in support of his submission.

40. The 447 IR consists of the words KORA ORGANICS BY MIRANDA KERR. The word ORGANICS is likely to be seen as a reference to the nature of the goods sold under the mark i.e. that they contain organic ingredients. The words BY MIRANDA KERR will be seen as a reference to the individual behind the brand. I consider the overall impression to be dominated by the word KORA, followed by the words BY MIRANDA KERR, with the word ORGANICS playing a lesser role. The 271 IR consists of the word KORA. There are no other elements to contribute to the overall impression which lies in the word itself. The 071 Mark consists of the words KORA NATURALS presented in title case. The word NATURALS is likely to be viewed as a reference to the nature of the goods provided under the mark i.e. that they contain natural ingredients. The word KORA plays a greater role in the overall impression, with the word NATURALS playing a lesser role.

Visual Comparison

The 071 Mark and the 271 IR

41. Visually, the whole of the 271 IR is replicated in the 071 Mark i.e. the word KORA. Notional use of a word only mark covers use of the mark in any standard typeface and so differences created by the use of title or upper case are not relevant. The difference between the marks is the presence of the word NATURALS in the 071 Mark, which has no counterpart in the 271 IR. However, as noted above, the word NATURALS plays a lesser role in the overall impression of the 071 Mark. I consider the marks to be visually highly similar.

The 071 Mark and the 447 IR

42. Visually, the marks coincide in the presence of the word KORA in both marks. They differ in the presence of the words ORGANICS BY MIRANDA KERR in the 447 IR and the word NATURALS in the 071 Mark. I consider the marks to be visually similar to a medium degree.

Aural Comparison

The 071 Mark and the 271 IR

43. Aurally, the word KORA will be pronounced identically in both marks. There will only be a point of aural difference if the word NATURALS in the 071 Mark is articulated. Given that it is likely to be viewed as a reference to the nature of the product ingredients, this may not be the case. If the word is pronounced, then the marks will be aurally highly similar. If it is not pronounced, they will be aurally identical.

The 071 Mark and the 447 IR

44. Aurally, the word KORA will, again, be pronounced identically in both marks. There will only be a point of difference if the word NATURALS in the 071 Mark and the words ORGANICS BY MIRANDA KERR in the 447 IR are articulated. If these words are not

pronounced, the marks will be aurally identical. If the word is pronounced, they will be aurally similar to a medium degree.

Conceptual Comparison

The 071 Mark and the 271 IR

45. The word KORA may be viewed as a name or an invented word. In either case, the same will apply to both marks. The word NATURALS in the 071 Mark will be given its ordinary dictionary meaning and will be the only point of conceptual difference. I consider the marks to be conceptually highly similar.

The 071 Mark and the 447 IR

46. The word KORA, as noted above, will be viewed as either a name or invented word. In either case, this will be the same for both marks. The word NATURALS and ORGANICS overlap in conceptual meaning as they both indicate ingredients which are not artificial. The words BY MIRANDA KERR will indicate the individual behind the brand and have no counterpart in the 071 Mark. I consider the marks to be conceptually similar to a higher than medium degree.

Distinctive character of the earlier trade marks

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

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

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

48. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

49. KO claims that its marks have acquired enhanced distinctiveness through use. There are clearly issues with KO’s evidence; many of the documents are undated or are dated after the relevant date. However, I note that KO’s evidence shows that product sales commenced in the UK some time in 2012 or 2013. Sales have amounted to £4,733 in 2012, £86,224 in 2013, £97,037 in 2014, £71,333 in 2015, £51,346 in 2016, £87,444 in 2017 and £126,535 in 2018. Clearly, these sales are not insignificant. However, given the undoubted size of the market in which KO is operating, these figures suggest a low market share in the UK. Many of the articles in which KO’s mark has been referenced are from countries other than the UK and do not, therefore, assist in demonstrating enhanced distinctiveness in the UK. However, I note that some well-known UK magazines have referenced KO’s mark (including Harper’s Bazaar, Cosmopolitan and Vogue) between 2012 and 2014. Again, although I note that KO has won a number of awards, these are undated and do not confirm to which country they relate. Taking the evidence as a whole into account, I am not satisfied that it is sufficient to demonstrate enhanced distinctiveness in the UK market.

50. I now turn to the inherent distinctive character of KO's marks. The 271 IR consists of the word KORA. This will either be viewed as a name or an invented word. It has no particular meaning. The word ORGANICS in the 447 IR does not add much to the distinctiveness of that mark due to the fact that it will be seen as a reference to the nature of the goods. The words BY MIRANDA KERR identify the person behind the brand. I consider that both the 271 IR and the 447 IR are inherently distinctive to at least a higher than medium degree.

Likelihood of confusion

51. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where 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 services or vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of KO's marks, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to 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 that he has retained in his mind.

52. I have found the 271 IR and the 071 Mark to be visually and conceptually highly similar and aurally highly similar or identical. I have found the 447 IR and the 071 Mark to be visually similar to a medium degree, aurally similar to a medium degree or identical and conceptually similar to a higher than medium degree. I have identified the average consumer to be a member of the general public. I found that the average consumer will purchase the goods primarily by visual means (although I do not discount an aural component) and will pay a medium degree of attention when selecting the goods. I have found the 271 IR and the 447 IR to have at least a higher

than medium degree of inherent distinctive character. I have found the parties' goods to be identical or highly similar.

53. Direct and indirect confusion were described in the following terms by Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

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

54. Taking all of the above factors into account, the additional words in the 271 IR and the 447 IR (NATURALS and ORGANICS BY MIRANDA KERR) will, in my view, be seen as either a reference to the nature of the goods or to the person behind the brand KORA. The presence of the word KORA in all of the marks will, in my view, lead the average consumer to conclude that they originate from the same or economically linked undertakings. This is particularly the case given the distinctiveness of KO's marks. I consider there to be a likelihood of indirect confusion.

55. The application for invalidation based upon section 5(2)(b) is successful.

The Opposition

56. As the application for invalidation has been successful and the 071 Mark (upon which Ms Hayford-Kwatchey relies in the opposition) has been found to be invalid in its entirety the opposition must fail.

CONCLUSION

57. The application for invalidation against registration UK00003245071 is successful and the registration is hereby declared invalid in its entirety.

58. The opposition against the application for designation of International Registration WO0000001376324 in the United Kingdom is unsuccessful and the application can proceed to registration.

COSTS

59. KO has been successful and is entitled to a contribution towards its costs. At the hearing, Mr Longstaff agreed that costs should be awarded based on the scale published in Tribunal Practice Notice 2/2016. I award KO the sum of **£2,100** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Preparing a statement of case in the invalidation and opposition proceedings and considering Ms Hayford-Kwatchey's statements	£400
Preparing evidence and considering Ms Hayford-Kwatchey's evidence	£700
Preparation for and attendance at hearing	£800
Official fee for invalidation	£200
Total	£2,100

60. I therefore order Corrine Hayford-Kwatchey to pay Kora Organics by Miranda Kerr Pty Ltd the sum of £2,100. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 31st day of October 2019

S WILSON

For the Registrar