

O/854/22

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3626037
BY VAGA TRADING AND SERVICES CORP.**

TO REGISTER:

CLOUD 9

AS A TRADE MARK IN CLASS 3

AND

**IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 427954 BY
KOOCHI LIMITED**

BACKGROUND AND PLEADINGS

1. VAGA Trading and Services Corp. (“the applicant”) applied to register **CLOUD 9** as a trade mark in the United Kingdom on 14 April 2021. The application was accepted and published on 10 September 2021 in respect of the following goods:

Class 3

Non-medicated cosmetics and toiletry preparations; non-medicated dentifrices; perfumery, essential oils; bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; skin moisturizers; skin hydrators; skin lotions.

2. On 4 November 2021, the application was opposed by Koochi Limited (“the opponent”). The opposition is based on section 5(3) of the Trade Marks Act 1994 (“the Act”) and concerns all the goods in the application. The opponent is relying on the following UK Trade Marks (“UKTMs”) for which it claims a reputation:

Earlier Mark	Goods for which a reputation is claimed
UKTM No. 2627005 (“first earlier mark”)  Filing date: 4 July 2012 Registration date: 19 October 2012	<u>Class 3</u> <i>Skin preparation creams namely all natural anti-cellulite cream and all natural varicose vein cream.</i>
UKTM No. 913972096 (“second earlier mark”)  Filing date: 21 April 2015 Registration date: 18 August 2016 Colours claimed: Blue, white.	<u>Class 3</u> <i>Cosmetic preparations for body care; Cosmetics; Cosmetics for personal use; Cosmetics and cosmetic preparations; Skin care preparations; Balms other than for medical purposes; Beauty balm creams; Beauty lotions; Beauty serums; Cleaning masks for the face; Cleaning preparations for personal use; Collagen preparations for</i>

Earlier Mark	Goods for which a reputation is claimed
	<i>cosmetic application; Cosmetics for use on the skin; Cosmetics in the form of creams; Non-medicated cosmetics; Massage gels other than for medical purposes; Massage creams, not medicated; Ointments for cosmetic use; Beauty creams for body care; Beauty creams; Skin whitening preparations; Skin whitening preparations [cosmetic]; Wrinkle removing skin care preparations; Non-medicated skin care preparations; Cosmetic preparations for skin care; Skin care (Cosmetic preparations for -); Skin cleaners [non-medicated]; Cosmetic preparations for protecting the skin from the sun's rays; Creams for firming the skin; Creams for cellulite reduction; Age spot reducing creams; Moisturising skin creams [cosmetic]; Cosmetics for the treatment of dry skin; Creams (Cosmetic -); Cosmetic creams; Skin creams [cosmetic]; Facial creams [cosmetic]; Toning creams [cosmetic]; Cosmetic nourishing creams; Cosmetic hand creams; Skincare cosmetics; none of the aforesaid being goods or products relating to hair or care, styling and/or treatment of hair.</i>

3. The opponent claims that the contested mark is identical to the first earlier mark and is wholly contained in the second earlier mark and that the goods are identical. It argues that the relevant public would be led to believe that the goods originate from the same undertaking and that there have already been instances of confusion. It also claims that:

- The earlier marks have acquired substantial reputations in the marketplace and that the applicant would take advantage of these reputations;

- The relevant public would purchase the applicant's goods in the belief that they originate from the opponent. If consumers were dissatisfied with the goods they bought, it could lead to the tarnishment of the reputation of the earlier mark; and
- The opponent would be likely to suffer economic loss if consumers purchased the applicant's goods instead of its own.

4. The applicant filed a defence and counterstatement denying the claims made and putting the opponent to proof of use of the earlier marks.

EVIDENCE AND SUBMISSIONS

5. Only the opponent filed evidence. This comes in the form of a witness statement dated 24 March 2022 from Armen Mirzoian, Co-founder of Cloud 9 Skin Solutions, which Mr Mirzoian states is the proprietor of the earlier marks relied upon. The Trade Marks Register records that the proprietor is the opponent. I therefore requested that Mr Mirzoian clarify the relationship between the opponent and Cloud 9 Skin Solutions. The opponent's representatives filed a witness statement on 29 September 2022. This explains that there had been a clerical error in Mr Mirzoian's witness statement and that he was the founder of Koochi Limited, the owner of the earlier marks.

6. Neither side requested to be heard and the opponent filed written submissions in lieu of a hearing on 2 August 2022.

7. I have taken this decision following a careful consideration of the papers and shall refer to the evidence and submissions where appropriate.

REPRESENTATION

8. In these proceedings, the opponent is represented by Agile IP LLP and the applicant by Stobbs IP Limited.

DECISION

Legislation

9. Section 5(3) of the Act is as follows:

“A trade mark which–

(a) is identical with or similar to an earlier trade mark,

[...]

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

10. An “earlier trade mark” is defined in section 6(1) of the Act, the relevant part of which reads:

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

11. The opponent’s marks qualify as earlier marks under this provision. Both had completed their registration procedures more than five years before the date of the application for the contested mark (“the relevant date”). The applicant requested that the opponent prove it had made genuine use of the marks for all the goods relied upon. The relevant provisions are those in Section 6A of the Act. These require the marks to have been genuinely used in the five-year period ending with the relevant date.

12. Section 100 of the Act stipulates that:

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

My approach

13. The only ground in this opposition is section 5(3), which requires the opponent to prove that at least one of the earlier marks has a reputation. This is a higher bar for the opponent to get over than genuine use. I shall therefore go straight to the assessment of reputation.

Reputation

14. In *General Motors Corp v Yplon SA*, Case C-375/97, the Court of Justice of the European Union¹ held that:

“24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or services marketed, either the public at large or a more specialised public, for example traders in a specific sector.

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.

¹ Section 6(3) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision refers to the trade mark case law of EU courts.

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.”

The evidence

15. Mr Mirzoian states that the mark has been in use since 2014 (paragraph 5) or 2015 (paragraph 7) and that since then it has been used continuously in the UK. He says that Cloud 9 Skin Solutions has become an “*industry leader*” in skincare.² Undated images of the mark in use on products are provided in Exhibit AM1.



16. The goods are sold through online retailers, including Amazon. Exhibit AM2 contains an extract from the Amazon website taken at 23 March 2022. It shows that

² Witness statement, paragraph 5.

product sales over the first three months of 2022 amounted to £5,098.58, consisting of 261 units in 244 orders. Below this information are two graphs comparing sales, but it is not clear what the opponent's sales are being compared with. Exhibit AM3 contains a screenshot, the origin of which is unclear, which shows that listings for Cloud 9 scar minimising cream, cellulite and skin firming body gel, skin clearing spot gel, and varicose vein and soothing leg cream treatment were created on 18 December 2015.

17. Exhibit AM4 contains four extracts from newspapers and magazines. They show goods bearing the mark featuring in round-ups of beauty products. The articles are all undated and there is nothing to tell me which publications the extracts came from.

18. Mr Mirzoian states that his company's products have received "*rave reviews and award nominations from industry leaders*".³ The undated images in Exhibit AM1 suggest that goods bearing the earlier marks were shortlisted or were finalists in the following awards:



It is not clear which products were nominated, as some of these awards are shown on more than one image.

19. Finally, Mr Mirzoian draws my attention to the opponent's use of social media, namely YouTube and Instagram. Exhibits AM5 and AM6 contain undated screenshots, showing the number of subscribers to the YouTube channel (32) and number of Instagram followers (2,643). I note that the YouTube videos shown in the exhibit have received between 111 and 28,000 views.

³ Paragraph 12.

Does the evidence show the earlier marks have a reputation?

20. I remind myself that the relevant date for my assessment is the date of application for the contested mark: 14 April 2021. Immediately this presents a problem for the opponent as the bulk of the evidence is either undated or, in the case of the sales figures, covers a period after the relevant date. I can see that listings for products called “Cloud 9” were created in 2015, but there’s nothing to show me whether the marks were used as registered. Even if I were to accept that use of the term “Cloud 9” in the listings is an acceptable variant of the earlier marks, there is no information on volumes of sales. I’m left with general assertions that *“consumers have frequently purchased the items carrying the mark”*⁴ and a series of awards with little information to allow me to assess the impact such awards might have had upon the relevant public. I am unable on the evidence before me to find that the earlier marks had a reputation at the relevant date and so the opposition fails. In the interests of completeness, I will add that the evidence is insufficient for me to find that genuine use has been made of the earlier marks.

OUTCOME

21. The opposition has failed and Trade Mark Application No. 3626037 will proceed to registration.

COSTS

22. The applicant has been successful and is entitled to a contribution towards its costs, based on the scale published in Tribunal Practice Notice No. 2/2016. The award is calculated as follows:

<i>Preparing a statement and considering the</i>	
<i>opponent’s statement:</i>	£200
TOTAL	£200

⁴ Paragraph 8.

23. I therefore order Koochi Limited to pay VAGA Trading and Services Corp. the sum of £200, The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 4th day of October 2022

**Clare Boucher,
For the Registrar,
Comptroller-General**