

**o/0113/24**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. UK00003792314**

**BY SHENZHEN FANSUI TRADING CO., LTD**

**TO REGISTER THE TRADE MARK:**

**MIYOU YOU MI**

**IN CLASSES 21 AND 25**

**AND**

**IN THE MATTER OF OPPOSITION THERETO**

**UNDER NO. 437715**

**BY XIAOMI INC.**

## BACKGROUND AND PLEADINGS

1. On 26 May 2022, Shenzhen Fansui Trading Co., Ltd (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 26 August 2022. The applicant seeks registration for the following goods:

Class 21      Cleaning cloths; Cooking utensils for barbecue use; De-shedding combs for pets; Egg separators; Household gloves; Kitchen graters; Make-up brushes; Plant baskets; Stands for shaving utensils; Tableware; Toothpick holders; Towel bars; Travel mugs; Trays [household]; Watering devices.

Class 25      Aprons; Baselayer tops; Bath robes; Bathing caps; Berets; Bowties; Casual clothing; Infantwear; Maternity clothing; Neck scarves; Ski gloves; Slipovers; Socks; Sports wear.

2. The application was opposed by Xiaomi Inc. (“the opponent”) on 28 November 2022 based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). However, as noted in the official Registry letter dated 25 July 2023, the opponent did not file any evidence in these proceedings to support its section 5(3) and 5(4)(a) grounds. Therefore, applying Rule 20(3) of the Trade Mark Rules 2008, the Tribunal considered that the opposition based on those grounds was deemed as withdrawn.

3. The opposition therefore proceeds upon section 5(2)(b) only, and the opponent relies upon the following IR’s:



International registration no. WO000001342136.

International registration date 22 July 2016.

Designation date 22 July 2016.

Date of protection granted in UK 5 October 2017.

**(“the First Earlier IR”)**



International registration no. WO000001650491.

International registration date 13 July 2021.

Designation date 13 July 2021.

Date of protection granted in UK 18 August 2022.

**(“the Second Earlier IR”)**

4. The opponent relies upon all of its class 21 and 25 goods for which its earlier IR's are registered, contained in the Annex to this decision.

5. The opponent claims there is a “risk of confusion” because the earlier IR's and applicant's mark are visually, aurally and conceptually highly similar, and the goods are identical or highly similar.

6. The applicant filed a counterstatement denying the claims made.

7. The opponent is represented by Lane IP Limited and the applicant is represented by Gloria Qsing.<sup>1</sup> Neither party requested a hearing nor filed evidence, however, the opponent filed submissions in lieu of a hearing. I make this decision having taken full account of all the papers, referring to them as necessary.

8. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained

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<sup>1</sup> I note that the applicant filed its Form TM33 on 29 December 2022 after they had filed its counterstatement (Form TM8).

EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

## **DECISION**

9. Section 5(2)(b) 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.”

10. The earlier IR's had not completed their registration process more than five years before the relevant date (the filing date of the applicant's mark). Accordingly, the use provisions at s.6A of the Act do not apply. The opponent may rely on all of the goods it has identified without demonstrating that it has used the IR's.

### **Section 5(2)(b) case law**

11. In making this decision, I bear in mind the following principles gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of goods**

12. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court (“GC”) stated that:

“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 for 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.”

13. The applicant’s “casual clothing” and “maternity clothing” fall within the broader category of “clothing” which appears in both the opponent’s First and Second Earlier IR’s specifications. The goods are identical on the principle outlined in *Merica*.

14. Consequently, I will assess the opposition on the basis that the contested goods are identical to those covered by the opponent’s First and Second Earlier IR’s. If the opposition fails, even where the goods are identical, it follows that the opposition will also fail where the goods are only similar.

15. For this reason, I will not undertake a full comparison of the goods.

## **The average consumer and the nature of the purchasing act**

16. 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.”

17. The average consumer for the goods will be members of the general public. The cost of purchase is likely to vary, and the goods will be purchased relatively frequently. However, various factors are still likely to be taken into consideration during the purchasing process, such as materials used, aesthetic appearance and durability. Consequently, I consider that a medium degree of attention will be paid by the average consumer when selecting the goods.

18. The goods are likely to be obtained by self-selection from the shelves of a retail outlet, clothing retail outlet, online or catalogue equivalent. This means that visual considerations will be the most significant, especially for the clothing goods.<sup>2</sup> Visual considerations are, therefore, likely to dominate the selection process.

19. However, I do not discount that there will also be an aural component to the purchase, as advice may be sought from a sales assistant or representative.

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<sup>2</sup> *New Look Limited v OHIM*, Joined cases T-117/03 to T-119/03 and T-171/03, paragraph 50.


## Comparison of the trade marks

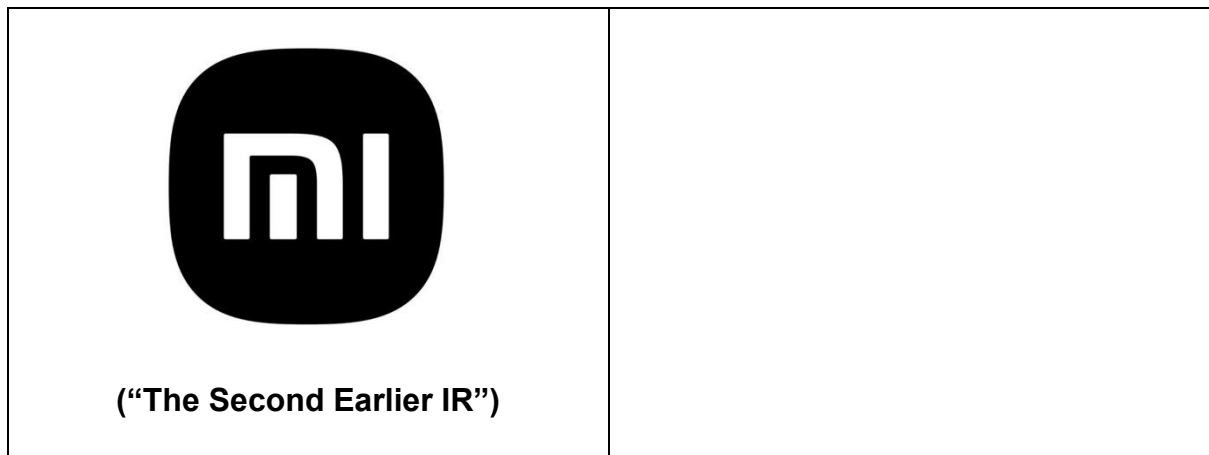
20. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union (“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.”

21. 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.

22. The respective trade marks are shown below:

Opponent's IR's	Applicant's trade mark
 <p data-bbox="325 1917 667 1953">("The First Earlier IR")</p>	<p data-bbox="842 1742 1353 1809"><b>MIYOU YOUMI</b></p>



23. The applicant’s mark consists of the words “MIYOU YOUMI”. The overall impression of the mark lies in the combination of these elements.

24. The opponent submits that “the respective marks share the same distinctive element, MI”. I bear in mind that the mark must be judged through the eyes of the average consumer of the goods or services in question<sup>3</sup> and the consumer will also not be engaging in a highly imaginative cognitive process in order to “decipher” the IR.<sup>4</sup> I therefore do not consider that the average consumer would decipher the First and Second Earlier IR’s to conclude that they contain the letters M and I. Instead, a significant proportion of average consumers will see the opponent’s First and Second Earlier IR’s as being composed of an abstract figurative device. In the Second Earlier IR, the abstract device is presented on a black rounded-square background.

25. It is a prerequisite of section 5(2)(b) that the marks be at least similar. On the basis that the First and Second Earlier IR’s will be seen by a significant proportion of average consumers as being composed of an abstract figurative device, and the applicant’s mark consists of the words “MIYOU YOUMI”, I consider that the marks are dissimilar and therefore the opposition must fail. However, for the sake of completeness, I will take the opponent’s best case, and proceed on the basis that the average consumer will see the First and Second Earlier IR’s as containing the highly stylised letters M and I. These letters are presented in black in the First Earlier IR and presented in white on a black rounded-square background in the Second Earlier IR.

<sup>3</sup>*Kawish Ali Siddiqui v A.P.G S.R.L.*, case BL- O/0283/23.

<sup>4</sup> *Sony Interactive Entertainment Europe Ltd v European Union Intellectual Property Office (EUIPO)* (T-463/20) [2021] E.T.M.R.61.

26. I note that there are no other elements in the First Earlier IR to contribute to the overall impression which lies in the letters M and I and their stylisation. I also consider that the highly stylised letters M and I play a greater role in the overall impression of the Second Earlier IR, with the black rounded square background playing a lesser role.

27. Visually, the marks coincide in the letters M and I. This acts as a visual point of similarity. However these letters are presented in a highly stylised typeface in both the First and Second Earlier IR's (which is not covered by notional and fair use of word marks), and is presented on a black rounded-square background in the Second Earlier IR. The applicant's mark also consists of the letters Y, O and U which are presented twice. These all act as visual points of difference. The opponent submits that because the letters M and I are repeated at the beginning and end of the applicant's mark, this results "in a high level of visual similarity" between the mark and the opponent's First and Second Earlier IR's. However, these elements are presented significantly differently which results in a low level of visual similarity between them.

28. Aurally, the opponent submits that its First and Second Earlier IR's will be pronounced as "MI", and that its marks "do not have any conceptual meaning, unless they will only be heard aurally and the pronunciation heard is MY, in which case the marks will be given the meaning of possession by the first person". On this basis, I consider that although the opponent has written that aurally its mark will be pronounced as "MI", they mean that it will be pronounced as "MY" (albeit I consider that "MI" and "MY" can be used interchangeably to denote the same pronunciation).

29. I agree that the opponent's IR's will most likely be pronounced as "MY". The stylisation of course will not be pronounced. I also consider that, taking the opponent's best case, the applicant's mark could be pronounced as MY-YOU YOU-MY. Whilst "MY" is pronounced twice in the applicant's mark, I do not consider that this increases the aural identity between the marks, as it will only be articulated once in the First and Second Earlier IR's. On this basis, I consider that the earlier IR's and applicant's mark are aurally similar to a low degree.

30. As noted in paragraph 28 above, the opponent submits that its earlier IR's do not have any conceptual meaning, unless they are heard aurally as "MY" and therefore

“given the meaning of possession by the first person”. To give the opponent its best case comparison, I will proceed on the basis that the letters “MI” could stand for any number of word combinations and therefore will evoke no concept to the consumer. I also note that the black background of the Second Earlier Mark will not evoke any concept either.

31. The applicant’s mark consists of the two words “MIYOU” and “YOU MI”. I consider that, as the words will be considered as a whole, the average consumer will recognise both words as invented words with no conceptual meaning. On this basis, opponent’s First and Second Earlier IR’s and the applicant’s mark are conceptually neutral.

### **Distinctive character of the earlier trade mark**

32. 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 C108/97 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 promotion of 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).”

33. 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, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

34. As noted above, the opponent has not filed any evidence. Therefore the opponent is unable to demonstrate that the distinctiveness of its First and Second Earlier IR’s have been enhanced through use. Consequently, I only have the inherent position to consider.

35. As noted above, to give the opponent its best case, I have concluded that the First and Second Earlier IR’s are composed of the letters M and I, with these letters presented on a black rounded-square background in the Second Earlier IR. The letters M and I are not particularly striking or memorable, and could stand for any number of word combinations. However, I note that the stylisation applied to the letters M and I contributes notably to the distinctiveness of the IR’s and therefore I consider that both the First and Second Earlier IR are inherently distinctive between a medium and high degree.

### **Likelihood of confusion**

36. 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 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 vice versa. It is necessary for

me to keep in mind the distinctive character of the earlier mark, 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.

37. The following factors must be considered to determine if a likelihood of confusion can be established:

- The IR's and applicant's mark are visually and aurally similar to a low degree.
- The IR's and applicant's mark are conceptually neutral.
- I have found the opponent's First and Second Earlier IR's to be inherently distinctive to between a medium and high degree.
- I have identified the average consumer for the goods to be members of the general public who will select the goods primarily by visual means, although I do not discount an aural component.
- I have concluded that a medium degree of attention will be paid during the purchasing process.
- I have found the parties' goods to be identical for the purposes of my assessment.

38. Taking all of the factors listed in paragraph 37 into account, even bearing in mind the principle of imperfect recollection, I am satisfied that the opponent's earlier IR's and the applicant's mark are unlikely to be mistakenly recalled as each other. This is particularly the case given that they are visually similar to a low degree and the fact that the purchasing process is predominantly visual. Even where aural considerations play a greater role, the low degree of aural similarity between the opponent's First and Second Earlier IR's and applicant's mark will have the same result. Consequently, I do not consider there to be a likelihood of direct confusion.

39. It now falls to me to consider the likelihood of indirect confusion. Indirect confusion was 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.”

40. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

41. I consider that having noticed that the opponent’s earlier IR’s and the applicant’s mark are different, I see no reason why the average consumer would assume that they came from the same or economically linked undertakings. I do not consider that the average consumer would think that the opponent’s First and Second Earlier IR’s were connected with the applicant and vice versa on the basis that they share, and both start with the letter combination M and I. It is more likely to be viewed as a coincidence, especially as the average consumer does not dissect marks. I also note that the letters M and I are so highly stylised in the earlier IR’s that it notably contributes to the inherent distinctiveness of them. Therefore, on the basis that this stylisation is also not replicated in the applicant’s mark, the average consumer is unlikely to make a connection between it and the opponent’s First and Second Earlier IR’s. Therefore, taking all of the above into account, the opponent’s earlier IR’s and the applicant’s

mark are clearly not natural variants or brand extensions of each other. Consequently, I consider there is no likelihood of indirect confusion.

## **CONCLUSION**

42. The opposition is unsuccessful, and the application may proceed to registration.

## **COSTS**

43. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£200** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Considering the Notice of opposition and preparing a Counterstatement	£200
<b>Total</b>	<b>£200</b>

44. I therefore order Xiaomi Inc. to pay Shenzhen Fansui Trading Co., Ltd the sum of £200. This sum is to 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 15th day of February 2024**

**L FAYTER**

**For the Registrar**

## ANNEX

### **The First Earlier Mark**

#### Class 21

Bowls [basins]; basins [bowls]; blenders, non-electric, for household purposes; utensils for household purposes; lunch boxes; chopsticks; kitchen utensils; containers for household or kitchen use; pitchers; jugs; candy boxes; urns; tableware, other than knives, forks and spoons; cups; dishes; pots; fruit cups; bottles; glass bulbs [receptacles]; boxes of glass; ceramics for household purposes; porcelain ware; pottery; liqueur sets; tea services [tableware]; tea caddies; drinking glasses; coffee services [tableware]; teapots; candelabra [candlesticks]; clothes drying racks; vases; combs; cosmetic utensils; works of art of porcelain, ceramic, earthenware or glass toothbrushes; toothpick holders; cleaning instruments, hand-operated; polishing apparatus and machines, for household purposes, non-electric; crystal [glassware]; half-produced glass tubes; birdcages; indoor aquaria; insect traps; glasses [receptacles]; pepper pots; waste paper baskets; window-boxes; dustbins; toothbrushes, electric; toothpicks; make-up removing appliances; gloves for household purposes.

#### Class 25

Wimples; clothing; wet suits for water-skiing; waterproof clothing; wedding dresses; sleep masks; sashes for wear; chasubles; shower caps; overalls; overcoats; shirts [clothing]; vests; tee-shirts; knitwear [clothing]; sports jerseys; outerclothing; skirts; jackets [clothing]; clothing of leather; underwear; trousers; boots for sports; footwear; boots; sports shoes; slippers; shoes; hoods [clothing]; headgear for wear; hats; caps [headwear]; hosiery; stockings; socks; gloves [clothing]; neckties; mantillas; scarfs; headscarves; money belts [clothing]; girdles; short-sleeve shirts; ponchos; pajamas (Am.); paper clothing; babies' pants [underwear]; cyclists' clothing; ski boots; non-slipping devices for footwear; maniples; stage costume; semi unified boot; sweater; covert topcoat.

### **The Second Earlier Mark**

#### Class 21

Containers for household or kitchen use; cooking pots; frying pans; deep fryers, non-electric; rice cooking pots [non-electric]; cups; food preserving jars of glass; ceramics for household purposes; works of art made of crystal; thermos cups; coffee filters not of paper being part of non-electric coffee makers; clothes racks, for drying / clothes drying hangers; toilet utensils; trash cans; drying racks for laundry; height adjustable ceiling-mounted drying racks for laundry; toothbrush holders; candle warmers, electric and non-electric; aromatic oil diffusers, other than reed diffusers, electric and non-electric; combs; brushes; material for brush-making; water apparatus for cleaning teeth and gums; toothbrushes, electric; heads for electric toothbrushes; manual toothbrushes; toothbrushes; toothpicks; cosmetic utensils; thermally insulated containers for food; ice cube trays; cloth for washing floors; mops; cleaning instruments, hand-operated; lint removers, electric or non-electric; glass, unworked or semi-worked, except building glass; animal activated livestock waterers; animal-activated pet feeders; animal activated animal feeders; indoor terrariums [vivariums]; plug-in diffusers for mosquito repellents; ultrasonic mosquito repellents; ultrasonic pest repellents.

#### Class 25

Tee-shirts; sports jerseys; sports vests; sports singlets; layettes [clothing]; swimsuits; raincoats; masquerade costumes; shoes; sports shoes; caps being headwear; hosiery; gloves [clothing]; riding gloves; neckties; scarfs; girdles; wimples; sashes for wear; shower caps; sleep masks; hairdressing capes; clothing; sports sweatbands.