

O/0508/25

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00003811430
BY UK DISTRIBUTORS (FOOTWEAR) LTD TO REGISTER:**

R21

AS A TRADE MARK IN CLASS 25

AND

**IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 437976 BY
PATAGONIA, INC.**

BACKGROUND AND PLEADINGS

1. On 20 July 2022, UK Distributors (Footwear) Ltd (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK (“the applicant’s mark”). The application was published for opposition purposes on 9 September 2022 and registration is sought for the term “footwear” in class 25.
2. On 9 December 2022, the applicant’s mark was opposed by Patagonia, Inc. (“the opponent”). The opposition is based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). In respect of the section 5(2)(b) and 5(3) grounds, the opponent relies on the following marks:

R1

UK registration no. 914968911

Filing date 31 December 2015; registration date 3 May 2016

Relying on some goods, namely:

Class 25: Zipped jackets; crew neck jackets; pants; bottoms; beanie hats; wetsuits and wetsuit vests; wetsuit shorts and tops.

(“the opponent’s first mark”);

R2

UK registration no. 914968929

Filing date 31 December 2015; registration date 4 May 2016

Relying on some goods, namely:

Class 25: Zipped jackets; hoodies; pants; wetsuits; wetsuit gloves.

(“the opponent’s second mark”);

R3

UK registration no. 914968945

Filing date 31 December 2015; registration date 30 October 2018

Relying on all goods, namely:

Class 24: Insulation fabric sold as a component of clothing, headgear and footwear.

Class 25: Clothing; footwear; headgear; wetsuits, wetsuit gloves, vests, boots and hoods; wetsuit shorts and tops; all of the aforesaid goods containing or composed of insulation fabric or fleece lining.

("the opponent's third mark");

R4

UK registration no. 914968952

Filing date 31 December 2015; registration date 3 May 2016

Relying on some goods, namely:

Class 25: Wetsuits; wetsuit gloves; boots; hoods.

("the opponent's fourth mark"); and

R5

UK registration no. 914968961

Filing date 31 December 2015; registration date 3 May 2016

Relying on some goods, namely:

Class 25: Wetsuits; wetsuit gloves; boots; hoods.

("the opponent's fifth mark").

3. In relying on the limited specifications of all bar one of its marks, the opponent has also given a statement of use in respect of those same goods. On this point, I appreciate that while some of the terms relied upon above are present in those marks' specifications (such as "wetsuit gloves", for example), some are not. For

example, the marks reliant upon “zipped jackets”, are not registered for that exact term. That being said, those marks are registered for “clothing” at large. As such, it appears as though the opponent has limited the broader terms for which its marks are registered to cover the goods that it seemingly considers it can validly proof genuine use for (hence the statement of use for the exact same terms relied upon). For the avoidance of doubt, I have considered the exact terms upon which the opponent relies and note that they all validly fall within broader terms for which the opponent’s marks are actually registered. Therefore, the opposition may proceed as pleaded.

4. The opponent’s marks are all comparable marks based on earlier EUTMs. On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with existing EUTMs. These comparable marks enjoy the same filing and registration dates as their European counterparts.
5. Generally, the opponent’s position under its section 5(2)(b) ground is that the marks are highly similar, that the goods at issue are identical and/or highly similar and that there exists an enhanced degree of distinctive character in the opponent’s marks. As a result, the opponent claims that there exists a likelihood of confusion between the marks at issue. Further, the opponent claims that the marks relied upon constitute a family of marks and the fact that the applicant’s mark displays the same characteristic as the opponent’s marks (the letter R followed by a number), means that it will be associated as part of the same family.
6. Under the section 5(3) ground, the opponent claims that its marks enjoy a reputation for the goods relied upon. As such, and due to the high similarity between the marks and goods at issue, consumers will believe that they are used by the same undertaking or think that there is an economic connection between them. The opponent also claims that the applicant’s use of its mark is without consent or due cause. Taking all of this together, the opponent claims that use of

the applicant's mark would take unfair advantage of the opponent's marks and would cause a detriment to the reputation and/or distinctive character of the same.

7. Lastly, the section 5(4)(a) ground is reliant upon the following earlier unregistered rights:

R1
("the opponent's first sign")

R5
("the opponent's fifth sign")

R2
("the opponent's second sign")

R
("the opponent's sixth sign")

R3
("the opponent's third sign")

PATAGONIA
("the opponent's seventh sign")

R4
("the opponent's fourth sign")

patagonia
("the opponent's eighth sign")



("the opponent's ninth sign")

8. The opponent claims to have used all of the above signs across the UK since 1980 on the same set of goods and services, being the following:

"Clothing, footwear and headgear; bags, namely backpacks, waist bags, duffel bags, travel bags and technical packs; sleeping bags; the marketing and sale of the above goods."

9. Under this ground, the opponent claim that its business enjoys a substantial level of protectable goodwill. The registration and use of the applicant's mark would, therefore, result in a misrepresentation that will deceive and mislead the relevant UK public to believe that the applicant's goods are those of the opponent and/or that there is some other relationship between the parties. It is claimed that this would lead to damage (or likely damage) being caused to the opponent.

10. The applicant filed a counterstatement wherein it denied the claims against it. I note that in doing so, it did make a concession that there was some cross over with the specifications at issue, however it set out that this was only minimal and not enough for the consumer to assume that there is a connection between the parties. Lastly, I note that the applicant requested that the opponent provide proof of use for its first, second, fourth and fifth marks.

11. The applicant is represented by Serjeants LLP and the opponent is represented by Bear & Wolf (UK) LLP. Both parties filed evidence in chief and, in doing so, also elected to file written submissions. The opponent filed evidence in reply and again, in doing so, also filed written submissions. No hearing was requested and only the opponent filed written submissions in lieu of the same. This decision is taken after careful consideration of the papers.

12. 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 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.

EVIDENCE

13. The opponent's evidence in chief came in the form of the witness statement of Willem Swager dated 13 June 2023. Mr Swager is the opponent's Director of Finance & Operations for Europe, the Middle East and Asia, being a role he has held since April 2014. Mr Swager's statement is accompanied by 36 exhibits, being those labelled WS1 to WS36,¹ and was adduced to prove genuine use of its marks as well as demonstrating the existence of enhanced distinctiveness, reputation and goodwill. It is noted that Mr Swager initially requested a number of his exhibits be granted an order of confidentiality. This was refused and while it was open to the opponent to challenge this, it did not do so.

14. The applicant's evidence in chief came in the form of the witness statement of Guy Marlow dated 11 December 2023. Mr Marlow is the Managing Director of the applicant, a position he has held since 2020. In addition, he has been a Director of the applicant since 2000. Mr Marlow's evidence is accompanied by 16 exhibits, being those labelled GM1 to GM16. The evidence speaks to the history of the applicant's brand and how it was derived from the phrase 'ROUTE 21'. It is noted in the submissions filed alongside this evidence that the purpose of the evidence is to prove that there was peaceful co-existence of the parties and/or honest concurrent use.

15. The opponent's evidence in reply came in the form of the witness statement of Mark Heritage dated 29 February 2024. Mr Heritage is a Partner at the opponent's representative firm. His statement is accompanied by three exhibits, being those labelled MH1 to MH3, and was adduced in response to the applicant's evidence and submissions.

¹ On this point, I note that Exhibits WS16 and WS31 are broken down into five and two parts, respectively.

16. I do not intend to summarise the evidence in full here (or the submissions of the parties, for that matter). However, I confirm that I have taken all filed documents into account and will summarise them to the extent that I deem necessary below.

DECISION

Proof of use

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 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,

(aa) a comparable trade mark (EU) or a trade mark registered pursuant to an application made under paragraph 25 of Schedule 2A which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired;

(ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired.

[...]

(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. Section 6A is also relevant. It reads:

“(1) This section applies where:

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (aa) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

- (a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his

- consent in relation to the goods or services for which it is registered,
or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes –

- (a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5)-(5A) [Repealed]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

19. Section 100 of the Act is also relevant. It reads:

“100. 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.”

20. As the opponent's marks are comparable marks, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

"7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A to the United Kingdom include the European Union".

21. Given their earlier filing dates, the opponent's marks all qualify as earlier trade marks under the above provisions. The opponent's first, second, fourth and fifth marks all completed their registration processes over five years prior to the filing date of the applicant's mark. The third mark did not so is, therefore, not subject to the use provisions. As set out above, the applicant requested that the opponent provide proof of use in respect of its first, second, fourth and fifth marks. As a result, these marks are subject to the proof of use assessment.

22. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:

“105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundersvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C-720/18 and C-721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at

[36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use

of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

23. Section 6A of the Act (cited above) confirms that the relevant period for the present assessment is the five-year period ending with the filing date of the applicant’s mark, being 20 July 2022. The relevant period is, therefore, 21 July 2017 to 20 July 2022 (“the relevant period”). I have set out above that the opponent’s marks are comparable marks based upon an earlier EUTM. The consequence of this is that use of the same in the EU prior to IP Completion Day (being 31 December 2020) is relevant to the present assessment.² Therefore, the relevant territory between 21 July 2017 to 31 December 2020 is the EU (which included the UK) whereas between 1 January 2021 and 20 July 2022, it is the UK only. On this point, I refer

² See paragraph 4 of Tribunal Practice Notice 2/2020

to the case of *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, wherein the Court of Justice for the European Union (“CJEU”) noted that:

“It should, however, be observed that ... the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.”

And

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark.”

24. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real”³ because the use would not be “viewed as warranted in the economic sector concerned to maintain or create a share in the mark for the goods or services protected by the mark” is, therefore, not genuine use.

³ *Jumpman* BL O/222/16

Evidence of use

25. The opponent's evidence begins with a discussion surrounding the opponent's primary brand, being 'Patagonia'. While noted, this is not relevant to the present assessment and whilst I appreciate that 'Patagonia' signs are relied upon under section 5(4)(a), these are of no assistance to the opponent and I will explain why when discussing that ground below. As a result, I will only aim to discuss the evidence insofar as it relates to the range of 'R' brands that are actually relied upon here. On this point, as evidence surrounding the R3 brand will become relevant for the issue of reputation and goodwill, I will include it in my discussion of the evidence even though it is not subject to proof of use. For the avoidance of doubt, any evidence discussed regarding this mark will be discounted from the present assessment.

26. In respect of these brands, the opponent claims that it has produced, marketed and sold a range of clothing, footwear and headgear goods. It is set out that 'R' indicates that the goods are designed to 'regulate' temperature and this is demonstrated in the evidence via a printout from mountainjourney.com.⁴ This printout is dated 10 November 2014 and relates to a US publication (the price listed is in US Dollars). That being said, the purpose of the article is to demonstrate that the opponent's marks are intended to designate the grade of *regulation* of the product. For example, the products within these ranges vary in thickness with 'R1' being the thinnest and 'R5' being the thickest. The aim is for the goods to be suitable for use in different temperatures.

27. The first range of 'R' branded goods came in 1990 when the opponent launched the 'R1' brand for mid-layer fleeces.⁵ Over the subsequent years, the addition 'R' range of goods were released. The opponent's evidence explains that the R3, R4

⁴ WS8

⁵ WS9

and R5 range of goods are for wetsuits and other goods used in the water, with the R5 range being used in very cold waters.

28. A range of goods sold under the different 'R' brands are shown in evidence via printouts from the opponent's EU website.⁶ The narrative evidence confirms that these printouts are from the UK version of the EU store and I note that where prices are shown, they are in Pound Sterling. The majority of the printouts are undated but two are taken from the internet archive facility, the Wayback Machine. These are dated 15 October 2017 and 29 September 2018.⁷ These show a range of R1 to R5 wetsuits, mitts and booties. Of the printouts that are undated, I note that they show a range of goods such as fleeces, gloves, wetsuits, pants, booties, insulated hoods and mittens. I also note that while it is clear that 'Patagonia' is the primary brand indicator, the 'R' brands are shown throughout and the labelling of the goods on the website is clear in that they are 'R1', 'R2', 'R3', 'R4' and 'R5' branded products. In addition to this, I note that the opponent has provided a number of images showing the use of the 'R' brands on the goods themselves. I do not intend to reproduce all of those here but note the following examples:



⁶ WS10

⁷ There is a third printout from the Wayback Machine but this does not show any goods from within any of the 'R' ranges.



29. The evidence then moves on to discuss the opponent's distribution channels. It sets out that while it is headquartered in the USA, it does offer its goods via its own branded stores. I note that a list of the UK/EU stores is shown in evidence and while I do not intend to reproduce this in full, I note that it includes stores in the UK in Manchester and Bristol. As for the EU at large, I note that it has stores in Austria, Germany, Ireland, Italy, Czechia and France. Where stores opened prior to the relevant date but closed in the intervening years, I have not discussed them here. It is confirmed that these stores all sell the 'R' range of goods and the opening dates for the same are shown as being prior to or during the relevant period. On this point, it is noted that the opponent confirms that goods designated for use in the water are not necessarily sold in all stores as they tend to be sold via UK and EU websites.

30. In addition to the above, I note that the opponent also sells its goods via third-party retailers. It is claimed that since the 1980s, the opponent has operated through third-party retailers such as Cotswolds, Runners Need, Snow + Rock, Selfridges and John Lewis and Partners. It is not stated when the opponent began selling through these retailers. As was the case with the opponent's own stores, these retailers sell goods under the 'R' ranges of goods, though wetsuits are not sold in all of them.

31. Lastly in respect of the distribution of the goods, the evidence confirms that the goods can be bought online via the opponent's own website. In discussing this point, the evidence refers to the printouts from the website that I have discussed at paragraph 28 above. It is confirmed that these websites were set up as early as 2016, if not earlier.

32. In terms of sales figures, the opponent has provided a sample range of data from a spreadsheet that purports to show an example of the goods sold between July 2017 and July 2022.⁸ The data is broken down to cover the UK and the EU separately. All figures are provided in Euros, regardless of the territory that they cover.

33. While there are five brands covered by the spreadsheets, I have sought to extrapolate the evidence in order to demonstrate the level of use shown in the following table:

Brand	Goods	UK net sales	EU net sales	Total:
R1	Pullover jackets, zipped neck jackets and crew neck jackets	1,187,986	4,315,458	5,503,444
	Hoodies	794,410	4,917,976	5,712,386
	Pants and bottoms	37,288	187,274	224,562
	Beanie hats	4,857	24,675	29,532
	Wetsuits	145,670	742,769	888,439
	Wetsuit vests and tops	42,426	173,508	215,934
	Wetsuit shorts	1,587	4,313	5,900
<i><u>R1 totals:</u></i>		<i><u>2,214,224</u></i>	<i><u>10,365,973</u></i>	<i><u>12,580,197</u></i>
R2	Zip neck jackets	236,922	1,532,216	1,769,138
	Hoodies	110,593	746,135	856,728

⁸ WS22 to WS26

	Pants	8,048	43,949	51,997
	Wetsuits	90,747	365,237	455,984
	Wetsuit gloves	6,756	25,077	31,833
	<u>R2 totals:</u>	<u>453,066</u>	<u>2,712,614</u>	<u>3,165,680</u>
R3	Clothing	195,895	585,625	781,520
	Wetsuit boots	21,705	165,189	186,894
	Wetsuit hoods and caps	13,080	45,480	58,560
	Wetsuits	188,193	533,426	721,619
	Wetsuit gloves	21,985	64,945	86,930
	Wetsuit hoods	8,082	40,355	48,437
	<u>R3 totals:</u>	<u>448,940</u>	<u>1,435,020</u>	<u>1,883,960</u>
R4	Wetsuits	122,410	350,380	472,790
	Wetsuit gloves	13,801	48,507	62,308
	Wetsuit boots	31,837	99,811	131,648
	<u>R4 totals:</u>	<u>168,048</u>	<u>498,698</u>	<u>666,746</u>
R5	Wetsuits	29,673	99,704	129,377
	Wetsuit gloves	7,745	25,912	33,657
	Wetsuit boots	12,689	53,632	66,321
	<u>R5 totals:</u>	<u>50,107</u>	<u>179,248</u>	<u>229,355</u>
	Overall totals:	3,334,385	15,191,553	18,525,938

34. In considering the above figures, I wish to discuss two points. Firstly, insofar as it relates to the present assessment (discounting the R3 brand which is not subject to proof of use), the turnover actually equates to sales in the sum of **€2,885,445 in the UK** and **€13,756,533 in the EU** for an **overall total of €16,641,978**. Secondly, the EU use is not broken down into pre- or post-IP Completion Day. Therefore, it is possible that a proportion of the figures provided are irrelevant to the present assessment on the basis that EU use ceased to be relevant on 31 December 2020 and the above figures include the entirety of 2021 and up to July 2022. That being

said, I consider it reasonable to infer that a significant proportion of the total figures remain relevant on the basis that they cover sales from July 2017 onwards, meaning that approximately three and a half years' worth of EU sales are relevant. For the avoidance of doubt, the lack of clarity as to the exact EU figures relevant to this decision is something that I will bear in mind when making my overall assessment of the evidence before me.

35. In respect of marketing, I note that the opponent has provided a range of catalogues that it issues to third-party retailers and consumers. I note that these catalogues cover the Autumn catalogue from 2018, an August 2019 catalogue, an Autumn 2021 press kit, a Spring 2022 Workbook and a Fall 2022 Workbook.⁹ While the entirety of the catalogues are not provided, the opponent has helpfully been selective in seeking to provide only the pages that cover the 'R' range of goods. The following illustrative examples are indicative of how the 'R' range of goods are referred to in such evidence:¹⁰



⁹ See WS27 to WS31

¹⁰ Taken from page 6 of WS27 and page 3 of WS28

Yulex® Wetsuits

You don't have to choose between performance and the planet

It's often assumed that you can get a thing that's better for the environment—or you can get a thing that works better. You can go for the electric car that can't tow a trailer, or the oversized 4x4 that can do almost anything. The brightly colored, superfoamy dish soap, or the biodegradable, ocean-friendly one that smells like lavender and doesn't make suds.

Through the years, however, we've learned that maximum performance and minimum harm can, in fact, go hand in hand. Our newest generation of "Yulex" wetsuits are at the forefront of that design philosophy. By replacing conventional, nonrenewable neoprene with renewable natural rubber* from hevea trees, we've reduced CO₂ emissions by up to almost 80% in the wetsuit manufacturing process.

And they're also lighter and 20% stretchier. Light, warm, ultrastretchy and made in a Fair Trade Certified™ facility, these suits are setting an entirely new standard for the surf industry—and we've been happy to hear that they're changing some minds, too. Imported.

*Made from 85% Yulex® natural rubber blended with 15% synthetic rubber by polymer content.



THE BIN

There's no effective way to recycle neoprene, which is one of the reasons we've put so much effort into replacing it with natural rubber. But there are other materials in a wetsuit, too—the rubber foam that keeps you warm needs to be lined with fabric for comfort and durability. So to further reduce our environmental impact, we incorporate as much recycled content as possible into the linings. The exteriors are 85% recycled polyester/15% spandex, while the high-stretch interiors of the arms and legs are 100% recycled polyester. Through the years, our warmer suits have a thermal grid material made from 95% polyester (31% recycled) blended with 5% spandex for stretch.

WETSUIT DETAILS

We also incorporated a few other changes, like a lower-profile seam tape that's smoother against the skin and water-based AquaShield™ glue. And since it's almost always better to conserve a resource instead of having to recycle it, we switched to a solution-dyeing process for the linings. By directly infusing the fibers with color instead of soaking them in a dye bath, we save 20 gallons of water per suit compared to conventional dyeing processes.

The Lineup	65°-75°F 18°-23°C	60°-65°F 16°-18°C	55°-60°F 13°-16°C	48°-55°F 9°-13°C	38°-48°F 3°-9°C	32°-38°F 0°-3°C
All weights of wetsuits contain 85% Yulex® natural rubber/15% synthetic rubber by polymer content.	R1* LITE: 2 MM Recycled Polyester Content Face: 85%, torso/High: 100%	R1*: 3 / 2.5 MM Recycled Polyester Content Face: 85%, torso/High: 100%	R2*: 3.5 / 3 MM Recycled Polyester Content Face: 85%, torso/High: 100%	R3*: 4.5 / 3.5 MM Recycled Polyester Content Face: 85%, torso/High: 100%	R4*: 5.5 / 4 MM Recycled Polyester Content Face: 85%, torso/High: 100%	R5*: 6.5 / 5 MM Recycled Polyester Content Face: 85%, torso/High: 100%

36. While it may not be completely clear in the reproduced examples due to size restrictions, I can confirm that the above images each make several references to the 'R' brands throughout and this is consistent with the remaining pages of the catalogues provided.

37. Evidence surrounding a social media campaign undertaken in 2019 is provided by way of a printout taken from a website called 'native.co.uk'.¹¹ The post on this website is dated 1 June 2019 and discusses the 20th anniversary campaign undertaken by the opponent to grow the 'R1' brand. The article sets out that the campaign reached 6,694,021 people and resulted in 112,000 people taking direct action on the posts and adverts. The article also discusses the fact that the campaign was a European-wide social media strategy that was targeted at five key markets across Europe and in four different languages. It does not specify which markets and which languages; however, I note that the evidence surrounding the campaign is via a UK-based website. Further, screenshots of the campaigns within the article show adverts in the English language. In light of both of these points, I

¹¹ WS32

am of the view that it would seem unreasonable to suggest that the campaign was not targeted at the UK at all.

38. A range of screenshots of the opponent's YouTube page is provided. These relate to videos highlighting a range of specific 'R' branded products such as the 'R1 Spring Jane' wetsuit top and R2, R3, R4 and R5 wetsuits.¹² Viewer figures for these videos are provided and while they are noted, they are relatively low in number, with the highest figure being 40,000. The majority show figures at around 10,000 views. Having considered this evidence, it is of little assistance to the present case on the basis that the posts did not come from any regional account of the opponent but, seemingly, its global 'Patagonia' account. Therefore, I consider it likely that the figures provided include viewership figures from outside of the relevant territory. In addition, the printouts are undated and I consider it reasonable to suggest that they were obtained at around the time of the witness statement being prepared meaning that they are taken from after the relevant period concluded. As such, the figures provided are likely to include views from the intervening period between the end of the relevant period and the date of Mr Swager's evidence.

39. Mr Swager sets out that, by his estimation, the opponent spends an annual amount in the multiple millions of pounds and euros in advertising its brand in both the UK and the EU. While I have no reason to doubt this, especially considering Mr Swager's position as the Head of Finance and Operations for the relevant territory, it does not appear to be limited to the 'R' range of goods. Instead, it appears a figure aimed at promoting the 'Patagonia' brand at large. While it is reasonable to infer some of this spend inevitably relates to the 'R' brands, it is not possible for me to determine how much.

40. The opponent's evidence goes on to discuss press coverage in the UK. I do not intend to discuss all of the articles provided but note that it includes coverage from

¹² WS33

UK-wide publications such as 'The Great Outdoors', 'The Guardian' and 'The Financial Times', more localised UK publications such as 'The Lancashire Post' and European publications such as a French alpine magazine and an Italian version of 'Men's Health'. All of the articles are from within the relevant period and discuss the 'R' products of the opponent such as a range of 'R1' hoodies.

41. Lastly, the evidence discusses Google Analytics data in relation to the website 'patagonia.com' from between January 2016 and March 2021.¹³ I note that only the figures from 2017 onwards are relevant here. It is noted that data in relation to visitors from different countries such as the UK, France, Germany and Italy is provided. I do not intend to reproduce this evidence here but note that for each relevant year, the figures run in the multiple of millions of viewers, peaking at almost 3.9 million visits in the UK in 2020. This is noted; however, this relates to the 'Patagonia' brand at large so is not necessarily entirely relevant here as there is nothing to suggest how many of these visitors viewed 'R' branded products or went on to buy them. In addition, it is not clear whether the figures relate to unique visitors or total visitors.

Form of the mark

42. Having considered the evidence, I consider it necessary to touch upon the issue of the form of the mark briefly. It is clear from the evidence that the opponent's primary branding is 'Patagonia'. As such, all of the goods covered by the evidence before me include the 'Patagonia' branding, as well as other brands such as 'Yulex', for example. This is reflected in the images I have reproduced above. That being said, this in no way means that the opponent is not able to rely on its sub-brands, being the 'R' marks relied upon here. On this point, I refer to the case of *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12 wherein the CJEU set out that so long as a mark continues to be perceived as indicative of the origin of the product

¹³ WS36

at issue, it is permissible for a mark to be used as part of another mark and still be considered use of the mark as registered. In the present case, while other marks may be present, such as 'Patagonia' and 'Yulex', the 'R' brands are still indicative of the origin of the goods shown in evidence. As a result, I see no reason why the opponent is unable to rely on the use of the marks in this way and will, therefore, proceed to determine my assessment of the use before me in the ordinary way.

Assessment of the evidence

43. As I have set out above, the opponent has accrued a total revenue of approximately 16 million euros throughout the relevant territory over the course of the relevant period as a whole.¹⁴ I remind myself that this relates to a range of different goods and, further, covers use for five separate marks, being 'R1' to 'R5'. Therefore, while it may appear as though it is a sizeable figure, I must consider it in this context and also in the context of the markets within which the opponent operates. On this point, I have no evidence for the size of the markets for the goods at issue and while I appreciate that the market for goods such as wetsuits is likely to be more limited than the market for hoodies and fleeced jackets, it is still likely to be a relatively sizeable one. As such, I do not consider that the turnover provided is necessarily significant when compared to the markets at issue. However, I remind myself that not only does use not need to be quantitatively significant in order for it to be genuine, but the evidence before me is also such that it is clearly indicative of a genuine attempt to create or preserve a market share in the relevant territory during the relevant period. In addition to the turnover, I remind myself that the opponent has sought to actively promote its goods via appearances in catalogues and workbooks and, further, engaged in a relatively sizeable advertising campaign in 2019. Further, the opponent's goods have also repeatedly featured in different publications throughout the relevant period. While some of the evidence, such as

¹⁴ While the EU figures post IP Completion Day are not to be considered, I have no way of determining how impactful this is on the overall figures provided. For the avoidance of doubt, while I am unable to calculate an accurate total, this is a point I have borne in mind in making my assessment.

the majority of the website printouts, are from after the relevant date, the campaign and catalogue evidence demonstrate how the opponent has branded its goods throughout the relevant period. Therefore, I consider that when buying the opponent's range of 'R' branded goods, the consumer will be clear that they relate to the various marks relied upon here.

44. Taking all of the above into account, I am content to conclude that the evidence before me is sufficient to demonstrate that the opponent has genuinely used all of its marks. That being said, I do not consider this applies to all of the goods relied upon. I say this because the breakdown of the goods sold by the opponent is such that it helpfully allows me to determine exactly how the turnover relates to each set of goods relied upon. Having considered this, I am of the view that the use shown is only reflective of genuine use for some goods, not all. On this point, some goods cover turnover in the multiple of millions of euros whereas others are miniscule to the point that I do not consider the same finding can simply apply across the entire range of goods. In addition, I remind myself that I am unable to take the entirety of this evidence into account as it is not broken down by year to the point that I am able to determine pre- or post-IP Completion Day figures for the EU. As a result, my finding of genuine use applies to only the following goods:

The opponent's first mark

Class 25: Zipped jackets; crew neck jackets; pants; bottoms; wetsuits and wetsuit vests; wetsuit tops.

The opponent's second mark

Class 25: Zipped jackets; hoodies; wetsuits.

The opponent's fourth mark

Class 25: Wetsuits; wetsuit boots.

The opponent's fifth mark

Class 25: Wetsuits.

Section 5(2)(b): legislation and case law

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

“(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 or association with the earlier trade mark.”

46. Section 5A of the Act states as follows:

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

47. 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) ("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

48. The competing goods are as follows:

The opponent's goods	The applicant's goods
<p><i>The opponent's first mark</i></p> <p><u>Class 25</u> Zipped jackets; crew neck jackets; pants; bottoms; wetsuits and wetsuit vests; wetsuit tops.</p>	<p><u>Class 25</u> Footwear</p>
<p><i>The opponent's second mark</i></p> <p><u>Class 25</u> Zipped jackets; hoodies; wetsuits.</p>	
<p><i>The opponent's third mark</i></p> <p><u>Class 24</u> Insulation fabric sold as a component of clothing, headgear and footwear.</p> <p><u>Class 25</u> Clothing; footwear; headgear; wetsuits, wetsuit gloves, vests, boots and hoods; wetsuit shorts and tops; all of the aforesaid goods containing or composed of insulation fabric or fleece lining.</p>	
<p><i>The opponent's fourth mark</i></p> <p><u>Class 25</u> Wetsuits; wetsuit boots.</p>	

<p><i>The opponent's fifth mark</i></p> <p><u>Class 25</u></p> <p>Wetsuits.</p>	
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49. 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 CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

“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”.

50. 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.

51. 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 für 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.”

52. I have submissions from both parties and evidence from the opponent in respect of the goods comparison. I will not reproduce those submissions here but will, where necessary discuss them further below.

53. “Footwear” is the only term in the applicant’s specification. This appears identically in the opponent’s third mark. However, its presence in the opponent’s third mark is subject to a limitation that the goods contain or are composed of insulation fabric or fleeced lining. While noted, the term in the applicant’s specification is not limited in any way and can, therefore, cover footwear with such materials. As such, it encompasses the opponent’s term meaning that these goods are identical under the principle outlined in *Merica*.

54. Given the above, it would ordinarily be unnecessary for me to proceed to consider the goods in the other specifications of the opponent’s marks as the opposition will proceed regardless. However, given that the opponent relies on a family of marks argument, I consider it necessary to consider a comparison with the goods in the remaining marks of the opponent. In doing so, I note that the applicant’s submissions set out that it sells primarily ordinary boots. While noted, I remind

myself that when considering the likelihood of confusion under section 5(2)(b) grounds, the assessment must be based, in fact, on the concept of 'notional and fair use' which involves carrying out the comparison of the goods based on the specifications before me, not the goods and services effectively provided by the parties.¹⁵ As such, the fact that the applicant claims to sell only ordinary boots is of no consequence to my comparison and I must, instead, consider "footwear" at large.

55. I note that the opponent's first and second marks' specifications include "zipped jackets". This is not an item of footwear but, in comparing the terms, I find that they may share some limited overlap in natures and methods of use in that they may comprise of some of the same materials and are both worn on the body, albeit different parts. Further, I find that there is some overlap in purpose. I say this because while worn of different parts of the body, both will be worn to protect the user from the elements and may also be worn for stylistic purposes. In addition, it is common in the trade for undertakings that produce and sell clothing goods to also produce and sell footwear, and vice versa. Further, such goods are commonly sold via the same distribution channels. As such, these goods overlap in trade channels. In terms of user, the goods are both aimed at members of the general public at large so there is inevitably an overlap here also. Lastly, I do not consider that the goods are complementary or competitive in nature. Overall, I consider that the aforementioned overlaps are sufficient to give rise to a finding that these goods are similar to a medium degree.

56. The opponent's fourth mark includes the term "wetsuit boots". As a type of footwear, I find that this falls within the applicant's term of "footwear". Therefore, these goods are identical under the principle outlined in *Meric*.

¹⁵ See *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*, Case C-533/06 at [66] and *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at [22]

57. Lastly, I note that the fifth marks' specifications include the term "wetsuits". I consider this to be the closest comparable term to the applicant's footwear. I consider that footwear is sufficiently broad so that it may cover shoes or boots worn for surfing or use in other water-based activities. Further, it may also cover shoes worn on the beach. As a result, I find that there is a limited overlap in nature and method of use as the goods may comprise of some of the same materials and are those that are worn on the body, albeit on different parts. As for purpose, given the fact that the applicant's term is so broad, it can cover goods worn for the purpose of surfing or other water-based activities and, as such, there can be said to be some overlap here also. As for trade channels, I find that this overlaps too on the basis that an undertaking that produces and sells wetsuits is also likely to produce and sell the footwear to be worn during such activities.¹⁶ Further, in this context, the goods are clearly going to be sought by the same user. Overall, I consider that the goods are similar to a medium degree.

The average consumer and the nature of the purchasing act

58. The case law, as set out earlier, requires that I determine who the average consumer is for the respective parties' goods. I must then decide the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. (as he then was) 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

¹⁶ On this point, the opponent has sought to file evidence in respect of retailers selling both wetsuit and non-wetsuit clothing goods (see WS11, WS12, MH2 and MH3). While noted, I am of the view that even without such evidence, it is reasonable to conclude that it is common in the trade for a retailer of wetsuits to also sell other types of clothing and footwear.

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.”

59. In my view, the average consumer of the goods at issue will be members of the general public at large, albeit I appreciate that for some goods, the consumers are likely to be those with an interest in surfing or other water-based activities. The goods are likely to be sold through a range of retail shops which includes both general and more specific water-based activity retailers (such as surf shops, for example). The goods at issue are likely to be displayed on shelves or racks, where they will be viewed and self-selected by the consumer. The goods will also be selected online where a similar process will take place with the consumer selecting the goods having viewed an image on a webpage. The selection of these goods is, therefore, primarily visual, although I do not discount that aural considerations may play a part by way of word-of-mouth recommendations and advice from sales assistants.

60. For the most part, the goods at issue will be relatively inexpensive, though I do appreciate that some wetsuits, for example, may be more expensive, though not considerably so. As for the frequency at which the goods will be purchased, I accept that some goods may be selected somewhat frequently, however, some goods, such as more expensive wetsuits may be selected with far less frequency. The average consumer is likely to consider such things as fit, style, materials used and, for goods used in the water, level of insulation/protection from the elements. Regardless of what goods are being selected, I do not consider that the selection process will be particularly complex and, therefore, I find that the average consumer is likely to pay a medium degree of attention during the selection process for the goods.

Comparison of the marks

61. It is clear from *Sabel 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.

62. 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.”

63. 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.

64. The respective trade marks are shown below:

The opponent's marks	The applicant's mark
<p style="text-align: center;">R1 ("the opponent's first mark")</p> <p style="text-align: center;">R2 ("the opponent's second mark")</p> <p style="text-align: center;">R3 ("the opponent's third mark")</p> <p style="text-align: center;">R4 ("the opponent's fourth mark")</p> <p style="text-align: center;">R5 ("the opponent's fifth mark")</p>	<p style="text-align: center;">R21 ("the applicant's mark")</p>

65. I have submissions from both parties in respect of the comparison of the marks. To confirm, I have considered these in full. Having done so, I do not consider it necessary to reproduce them in full here but will, briefly, set out that the applicant concedes that the marks at issue are visually, aurally and conceptually similar to low degrees. If necessary, I will expand on this below.

Overall impression

The applicant's mark

66. The applicant's mark is a word only mark, being 'R21'. While a letter followed by a number, it will be viewed as one conjoined element. As there are no other elements

that contribute to the mark, I find that the overall impression lies in this element as a whole.

The opponent's marks

67. The opponent's marks are all word only marks that follow the same structure, being the letter 'R' followed by a number, being '1' through '5'. As was the case above, despite being a letter followed by a number, the marks will be viewed as consisting of one conjoined element. As such, I find that the overall impression of the opponent's marks lies in their wholes.

Visual comparison

68. Visually, the marks all share the same first letter, being the letter 'R'. The 'R' in the applicant's mark is followed by the number '21', which consists of two characters whereas the 'R' in the opponent's marks is followed by single digit numbers, being '1' through '5'. In considering the opponent's third, fourth and fifth marks, the numbers are entirely different. Clearly, the parties' marks are short marks and while I appreciate that there is no special test for short marks,¹⁷ the fact that the marks at issue here only consist of two or three characters means that the average consumer is more likely to notice the differences. That being said, the shared use of 'R' sits at beginning of the marks and I bear in mind that average consumers tend to focus on the beginnings of marks.¹⁸ Taking all of this into account, I find that this results in between a low and medium degree of similarity between the applicant's mark and the opponent's third, fourth and fifth marks.

69. In respect of the opponent's first and second marks, the same points mentioned above are applicable here. That being said, I appreciate that there may be an extra degree of visual overlap because the opponent's first and second marks, being

¹⁷ See paragraph 44 of *BOSCO*, BL O/301/20

¹⁸ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

'R1' and 'R2', share a digit with 'R21', being '1' and '2', respectively. While that may be the case, the difference in overall numbers used still has an impact and bearing in mind the point I made in respect of short marks above, I find that the differences will still be noticed. Overall, I consider that there exists a medium degree of similarity between the applicant's mark and the opponent's first and second marks.

Aural comparison

70. Aurally, the applicant's mark consists of four syllables that will be pronounced as 'ARR-TWEN-TEE-WUN' (and not 'ARR-TOO-WUN'). The opponent's marks all consist of two syllables that will be pronounced in the ordinary way. The marks all share an identical first syllable. However, the remaining syllables in the applicant's mark and the opponent's second, third, fourth and fifth marks differ entirely. On this point (and in respect of the opponent's second mark only), the articulation of the number '2' (two) begins with a similar sound to '21' (twenty-one). While noted, I consider this to be minimal and insufficient to give rise to a finding that these marks' enjoy a greater degree of similarity than the others. Taking all of this into account, I find that there exists between a low and medium degree of similarity between the applicant's mark and the opponent's second, third, fourth and fifth marks.

71. The above finding does not apply to the opponent's first mark, however. This is on the basis that this mark and the applicant's mark begin and end in an identical manner, with the only difference coming in the middle two syllables in the applicant's mark. This will still be noticed and given the shortness of the opponent's first mark, 'TWEN-TEE' in the applicant's mark is still more likely to be noticed. That being said, the identical ending is, in my view, sufficient to increase the level of aural similarity of these marks beyond the level I have found above, albeit only slightly. Overall, I consider that these marks are aurally similar to a medium degree.

Conceptual comparison

72. The applicant argues that upon the consumer being confronted with its mark, they will immediately be reminded of their previous 'ROUTE 21' registration. In short, I have no reason to find that consumers would see the mark in this way. Even if the claim is that the reputation of the applicant's brand is such that 'R21' will be seen as a reference to 'ROUTE 21', then I do not consider this argument to be of assistance here. I say this with reference to the case of *Ravensburger AG v OHIM*, Case T-243/08, wherein the GC stated:

"27.... The reputation of an earlier mark or its particular distinctive character must be taken into consideration for the purposes of assessing the likelihood of confusion, and not for the purposes of assessing the similarity of the marks in question, which is an assessment made prior to that of the likelihood of confusion (see, to that effect, judgment of 27 November 2007 in Case T-434/05 *Gateway v OHIM – Fujitsu Siemens Computers (ACTIVY Media Gateway)*, not published in the ECR, paragraphs 50 and 51)."

73. Further, in *Retail Royalty Company v Harringtons Clothing Limited*, Phillip Harris, as the Appointed Person, considered the argument that the letters "AE" had, through their use, acquired an independent conceptual significance which would mean that the average consumer would always perceive them as meaning "AMERICAN EAGLE".¹⁹ He said:

"74. The Opponent is trying to equate reputation in a trade mark sense with conceptual meaning. They are not the same thing. Reputation can mean different things, and in trade mark law the term is sometimes used loosely, but in this context, it concerns the factual extent to which a sign is recognised by a significant part of the public as a *trade mark* [original emphasis]."

¹⁹ BL O/593/20.

75. In contrast conceptual meaning is, in simple terms, something akin to recognition in dictionaries (beyond a mere trademark acknowledgement) or a level of immediately perceptible notoriety/independent meaning, outside the confines of a purely trade mark context, of which judicial notice can be taken. Whilst a trade mark's reputation might evolve or be converted into a conceptual meaning (possibly to its detriment in terms of genericity), it needs to be properly proven.

76. It is true that there are cases where an extensive reputation has been parlayed into conceptual meaning (for example C-361/04 P *PICASSO/PICARO* and C-449/18 *MESSI*) but these are the exception rather than the rule and depend on their own facts. Furthermore, the "reputation" element in those cases related to the fame attached to the names of the individuals for their roles in society, rather than specifically to a trade mark function. In other words, it was a different sort of reputation."

74. Accordingly, even if there was evidence demonstrating a reputation in the applicant's mark or its 'ROUTE '21' brand (there is not), it is not correct to attribute the concept of 'R21' in the way claimed by the applicant. Therefore, the only concept I can attribute to the applicant's mark is the letter/numbers 'R21'. Outside of being a letter/number combination, this has no obvious meaning to the average consumer and will, therefore, be attributed no conceptual meaning.

75. Turning to the opponent's marks, I make a similar finding in that they will be attributed no meaning. I appreciate that the 'R' is shown in evidence as indicating that the product *regulates* temperature. However, this will not be known to the consumer and while I note that no such argument was actually put forward by the opponent in its submissions (instead, it elected to argue that neither parties' marks have any meaning in and of themselves), I mention it here for completeness.

76. I note that the opponent argues that the marks are conceptually identical as they clearly reference something termed 'R' followed by 'a number'. While I accept that both parties' marks are an 'R' followed by a number, this does not convey an identifiable concept. Therefore, I disagree with the opponent's argument because neither parties' marks carry any obvious meaning so the consumer would not be able to attribute them with a graspable concept. Ordinarily, when marks subject to a conceptual comparison do not have any meaning, the position is that they are conceptually neutral. However, in the present case I remind myself that the applicant has conceded to a low degree of conceptual similarity and I will, therefore, proceed on this basis.

Distinctive character of the opponent's marks

77. 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-0000, 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).”

78. 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. The distinctiveness of marks can be enhanced through use, and I note that the opponent has argued that its marks enjoy an enhanced degree of distinctiveness and has filed evidence to that effect. I will, therefore, consider whether this evidence is sufficient to give rise to a finding that the distinctiveness of the opponent’s marks has been enhanced through use. Before doing so, I will consider the inherent position.

79. I note that the opponent’s evidence set out that ‘R1’, ‘R2’ and so on are used to indicate the level of thickness of the goods, with the higher numbers representing goods that can be worn in cold waters. I appreciate that this could be used to argue that the marks are descriptive or allusive. However, while this may be the intention of the opponent, I am not convinced that there is anything in the evidence that demonstrates that this meaning would be understood by at least a significant proportion of average consumers.

80. All of the opponent’s marks follow a similar structure, namely the letter ‘R’ followed by a single digit number, being 1 through 5. I appreciate that the marks only consist of two characters. However, they are not simply ‘single letter marks’, being those which are described in case law as being harder to register as trade marks when compared to other types of marks.²⁰ That being said, I do accept that the

²⁰ See *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co. KG*, Case C-265/09 P

combination of one letter and a single digit number is not particularly distinctive from a trade mark perspective and the distinctiveness of the same should sit somewhere on the lower end of the scale. However, I do not consider that it extends outright to low and I say this because while unremarkable, a letter and a number combination is still capable of having a degree of uniqueness due to the myriad of combinations for such characters.²¹ As a result, I consider that the opponent's marks all possess between a low and medium degree of inherent distinctive character.

81. I turn now to consider the position in respect of the opponent's claim that its marks enjoy an enhanced degree of distinctiveness. In considering this issue, I refer to the evidential summary I have prepared at paragraphs 25 to 41 and rely on the same here. Having said that, the present assessment relates to the UK consumer only, therefore rendering any EU use irrelevant. As such, this leaves the total relevant turnover for the present assessment as being €3,334,385 between July 2017 and July 2022. While a figure in the multiple of millions of pounds, I am of the view that when taking into account the fact that it covers five different trade marks and a range of different goods over a five year period, it reflects a low level of use in the relevant territory. While this, by itself, does not mean that the opponent's marks cannot enjoy an enhanced degree of distinctive character, I am of the view that the remaining evidence (such as the press coverage discussed which mostly covers the UK and the marketing campaigns) is not sufficient to overcome the low level of turnover provided. Therefore, I do not consider that the evidence filed is sufficient to demonstrate that the opponent's marks enjoy an enhanced degree of distinctive character in the UK. As a result, I find that the inherent position applies.

²¹ On this point, the use of a letter and a single digit number together is not constricted in its use in the same way single letters are (which can only amount to 26 uses) or single digits numbers (which can only amount to 10 uses if zero is included).

Likelihood of confusion

82. 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. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent'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 they have retained in their minds.

83. Confusion can be direct or indirect. The differences between the two types of confusion were explained by Mr Iain Purvis Q.C., as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, wherein he set out that:

“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’.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('26 RED TESCO' would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)".

84. While the above examples in *L.A. Sugar* are noted, they are not intended to be treated as an exhaustive list of the only instances wherein indirect confusion occurs.

85. Further, I note the case of *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, wherein Arnold LJ referred to the comments of James Mellor Q.C. (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at paragraph 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.

86. I have found the goods at issue to be either identical or similar to between a low and medium degree. The average consumer base is, for the most part, formed of members of the general public at large. In addition, I have found that some of the goods at issue will also be selected by those with an interest in surfing or other water-based activities. In terms of the selection process, the goods will be selected via primarily visual means (with the aural component contributing to some degree). In respect of the level of attention paid, I have found that the consumer will pay a medium degree of attention when selecting the goods. In respect of the similarity of the marks at issue, I have found the applicant's mark to be:

- a. Visually and aurally similar to a medium degree and conceptually similar to a low degree with the opponent's first mark;
- b. Visually similar to a medium degree, aurally similar to between a low and a medium degree and conceptually similar to a low degree with the opponent's second mark; and
- c. Visually and aurally similar to between a low and a medium degree and conceptually similar to a low degree with the opponent's third, fourth and fifth marks.

87. Lastly, I have found that the opponent's marks are inherently distinctive to between a low and medium degree. On this point, I consider it necessary to point out that a weaker degree of distinctive character goes not preclude a likelihood of confusion.²²

88. In considering the issue of confusion, I consider it necessary to begin with the pleaded argument that the consumer will believe that the applicant's mark forms part of the family of marks owned by the opponent. In considering this point, I refer

²² *L'Oréal SA v OHIM*, Case C-235/05 P

to the case of *Il Ponte Finanziaria SpA v OHIM*, Case C-234/06, wherein the CJEU stated that:

“62. While it is true that, in the case of opposition to an application for registration of a Community trade mark based on the existence of only one earlier trade mark that is not yet subject to an obligation of use, the assessment of the likelihood of confusion is to be carried by comparing the two marks as they were registered, the same does not apply where the opposition is based on the existence of several trade marks possessing common characteristics which make it possible for them to be regarded as part of a ‘family’ or ‘series’ of marks.

63. The risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 (see *Alcon v OHIM*, paragraph 55, and, to that effect, *Canon*, paragraph 29). Where there is a ‘family’ or ‘series’ of trade marks, the likelihood of confusion results more specifically from the possibility that the consumer may be mistaken as to the provenance or origin of goods or services covered by the trade mark applied for or considers erroneously that that trade mark is part of that family or series of marks.

64. As the Advocate General stated at paragraph 101 of her Opinion, no consumer can be expected, in the absence of use of a sufficient number of trade marks capable of constituting a family or a series, to detect a common element in such a family or series and/or to associate with that family or series another trade mark containing the same common element. Accordingly, in order for there to be a likelihood that the public may be mistaken as to whether the trade mark applied for belongs to a ‘family’ or ‘series’, the earlier trade marks which are part of that ‘family’ or ‘series’ must be present on the market.

65. Thus, contrary to what the appellant maintains, the Court of First Instance did not require proof of use as such of the earlier trade marks but only of use of a sufficient number of them as to be capable of constituting a family or series of trade marks and therefore of demonstrating that such a family or series exists for the purposes of the assessment of the likelihood of confusion.

66. It follows that, having found that there was no such use, the Court of First Instance was properly able to conclude that the Board of Appeal was entitled to disregard the arguments by which the appellant claimed the protection that could be due to 'marks in a series'."

89. Taking all of the above into account I find that whilst it is unlikely that the competing marks will be directly confused, there is a likelihood of indirect confusion, insofar as the similarities between the marks, in particular the common use of the letter 'R' followed by a number on identical or similar goods, will lead the average consumer to think that the applicant's mark is a brand extension of the opponent's 'R' marks. The likelihood of confusion is in this case also reinforced by the existence of a family of marks. On this point, I am satisfied that the evidence provided by the opponent (which I have summarised at paragraphs 25 to 41 above) is such that each of the earlier marks was, as at the relevant date, present on the market for the goods relied upon under the present opposition. All of the marks begin with the letter 'R' and are followed by a number. Therefore, they all present the same pattern and while the 'R' in the applicant's mark is followed by a double-digit number, I still consider that it follows the same pattern. On this point, I have set out above that use of a letter followed by a number is not particularly distinctive. However, I remind myself that, as set out above, this does not preclude a likelihood of confusion. Further, this issue is counteracted by the presence of the five marks of the opponent on the marketplace and consumers, seeing the similarly patterned mark of the applicant, will believe that it is a continuation of the opponent's family of marks. Consequently, taking all of this into account and also reminding myself of the comments set out in the case law discussed at paragraph 85 above, I

consider that there exists a likelihood of indirect confusion in respect of all of the marks at issue and for all goods, regardless of their level of similarity.

90. Before concluding the present ground, I remind myself that the applicant has filed evidence that seeks to demonstrate that the marks at issue have peacefully co-existed and that there has been honest concurrent use of the marks. If proven, such an argument may diminish the likelihood of confusion between the marks.²³ It is, therefore, necessary for me to consider the applicant's evidence in respect of this point.

Honest concurrent use/peaceful co-existence and lack of actual confusion

91. While the applicant did not specifically plead the above points as a defence, it did raise the issue early enough in proceedings in order to allow the opponent to respond to the same. In doing so, the opponent filed its own submissions and further evidence in reply. I note that the opponent's evidence and submissions in reply are of significant length and while I can confirm that I have borne them in mind, the assessment I must make here is based upon my own consideration of the evidence before me. Therefore, I will not discuss the opponent's comments any further.

92. The applicant's evidence sets out that its 'R21' mark is derived from a prior registration it owns, being 'ROUTE 21'. It is claimed that this launched in 1995.²⁴ A catalogue is shown in evidence from 1995 which shows the footwear sold under the 'ROUTE 21' branding.²⁵ The 'ROUTE 21' mark was renewed at the UK IPO and is to remain registered until 26 September 2026 being when it requires further renewal.²⁶

²³ *Aceites del Sur-Coosur SA v OHIM*, Case C-498/07 P

²⁴ GM4

²⁵ GM5

²⁶ GM6

93. The evidence goes on to discuss the fact that the 'R21' line began being sold in Spring 2019. This is demonstrated in a 2019 catalogue, which is provided in evidence.²⁷ Further copies of the catalogue for 2020 to 2024 are also provided in evidence that show the 'R21' brand.²⁸ In addition, the applicant has provided examples of online adverts for its 'R21' brand²⁹ as well as printouts showing its goods listed for sale on the applicant's website.³⁰ None of these are dated and neither is there anything before me to suggest when they appeared on the applicant's website. As such, I do not consider this evidence is of any assistance here.

94. While the evidence filed is noted, it is of no assistance to the applicant's defence. I say this for two reasons, the first of which being that the relevant date for the present decision is July 2022. This means that, at best, the applicant's evidence demonstrates that the 'R21' brand has only been in use for approximately three and a half years.³¹ In order for arguments as to honest concurrent use or peaceful co-existence to succeed, parties are expected to file longstanding evidence that shows the marks at issue alongside one another in the marketplace.³² Just three and a half years' worth of evidence is not sufficient. Second, I note that at no point in its evidence does the applicant confirm any level of sales that were made of 'R21' branded goods and neither is there anything to express the reach of the catalogues provided. As a result, there is nothing in the applicant's evidence to suggest that consumers would be able to differentiate between the marks in such a way that points to a peaceful co-existence or honest concurrent use that could be said to diminish the likelihood of confusion between them.

²⁷ GM7

²⁸ GM11 to GM16

²⁹ GM8

³⁰ GM9 and GM10

³¹ While I appreciate that the 'R21' mark is derived from 'ROUTE 21', 'ROUTE 21' is not the mark at issue so any evidence in relation to this branding is not relevant to the present assessment.

³² On this point, I refer to the leading case in respect of honest concurrent use, being *Budejovicky Budvar NP v Anheuser-Busch Inc*, Case C-482/09. In this case, the parties' identical marks co-existed in the same marketplace for a prolonged period of time, being almost 30 years prior to the dispute arising. This is clearly not the case in the present proceedings.

95. Taking all of the above into account, I find that the applicant's defence of there being peaceful coexistence or honest concurrent use fails. Therefore, my finding of confusion above remains applicable to the present case.

96. In addition to the issue of honest concurrent use and peaceful co-existence, I note that in the submissions filed alongside its evidence, the applicant also set out that it has not received any queries as to the origin of its trade mark and that the opponent has failed to provide any evidence of association reported by their consumers. For the avoidance of doubt, while I appreciate that evidence of actual confusion may be of assistance in proceedings before the Tribunal, I remind myself of the case of *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283, wherein Millett L.J. stated that:

"Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark."

97. I consider that a similar point applies here in that the opponent not filing evidence of actual confusion is of no significance in the present case. As such, the comment in respect of there being a lack of confusion is of no relevance here.

Conclusion in respect of the section 5(2)(b) ground

98. The outcome of the present ground is that there exists a likelihood of confusion in respect of all of the marks at issue. As a result, the present ground succeeds in its entirety and regardless of the outcome of the other grounds relied upon, the opposition will succeed in full. For the sake of completeness, however, I will proceed to consider all of the remaining grounds.

Section 5(3)

99. Section 5(3) of the Act states:

“5(3) A trade mark which –

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 (EC), 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 repute of the earlier trade mark.”

100. The relevant case law can be found in the following judgments of the CJEU: *Case C-375/97, General Motors, Case 252/07, Intel, Case C-408/01, Adidas-Salomon, Case C-487/07, L’Oreal v Bellure, Case C-323/09, Marks and Spencer v Interflora, Case C383/12P, Environmental Manufacturing LLP v OHIM*. 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 Salomon*, 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 and Environmental Manufacturing, paragraph 34.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; Intel, paragraph 74.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; L'Oreal v Bellure NV, paragraph 40.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the holder 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).

101. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the marks are similar.³³ Secondly, the opponent must show that its marks have achieved a level of knowledge/reputation amongst a significant part of the public throughout the relevant territory.³⁴ Thirdly, it must be established that the level of reputation and the similarities between the parties' marks will cause the public to make a link between them, in the sense of the earlier marks being brought to mind by the application. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

³³ Given my findings under the section 5(2)(b) ground, I am satisfied that there is a degree of similarity between all of the marks at issue.

³⁴ Which, in respect of the first mark prior to 31 December 2020, includes the EU.

Reputation

102. I have assessed the opponent's evidence of use at paragraphs 25 to 41 above.

While I do not intend to reproduce it in full here, I remind myself that it shows a turnover of approximately 18 million euros between July 2017 and July 2022. That being said, I also remind myself that use in the EU ceased to be relevant in January 2021 meaning that a year and a half worth of the EU turnover is not applicable here. Given that I have no further breakdown from the opponent, it is not possible for me to determine the level of turnover that is relevant to this decision. In addition, the turnover provided stems from the use of five different marks which plainly depletes the strength of the turnover evidence on a per mark basis.

103. Issues with the turnover aside, I do not consider that the remaining evidence offers much in support of the opponent's claim. On this point, I accept that there is a range of press coverage regarding the marks, however, this is not extensive by any means. Further, the EU wide advertising evidence relates to just one campaign that took place in 2019.

104. Taking all of the evidence into account and bearing in mind what I have said above, I am not satisfied that the evidence is sufficient to warrant a finding that the opponent enjoyed a reputation in its mark as at the relevant date. Therefore, my primary position is that the section 5(3) ground fails at the first hurdle. That being said, even if my primary finding was incorrect and there were to exist a reputation in the opponent's marks, I do not consider that this would offer any advantage to the opponent. I say this because the bulk of the use before me relates to the EU. Therefore, any level of knowledge of the opponent's marks would exist in the mind of the EU consumer. This presents a problem for the opponent because the assessment for considering whether there exists a link or not is to be based on the UK consumer. On this point, I refer to the case of *China Construction Bank Corporation v Groupement Des Cartes Bancaires*, BL O/281/14, wherein Mr Iain Purvis QC, sitting as the Appointed Person, stated:

“40. [...] I believe that the ultimate decision under s5(3) was nonetheless correct. In order to succeed under s5(3), the opponent has to show either that the distinctive character or repute of its earlier mark would be damaged by reasonable and fair use of the mark applied for, or that such reasonable and fair use would take unfair advantage of the reputation of its earlier mark. The reasonable and fair use of the mark applied for can only be use in the United Kingdom, since this is the entire territorial scope of the application.

41. If the reputation of the earlier mark does not extend to the United Kingdom, it is difficult to see how (at least in the usual case) it could be damaged by use of a mark in the United Kingdom, or that such use could be said to take unfair advantage of the earlier mark. For one thing, the necessary ‘link’ between the marks in the mind of the average consumer which must be established in any case which relies on the extended protected (see *Adidas-Saloman v Fitnessworld* [2004] ETMR 10) would not exist. There is certainly no evidence in the present case which explains how any ‘link’ could be made in the UK absent of a reputation here.”

105. The circumstances in the present case mirror the one cited above in that there is no evidence provided by the opponent which can be said to explain how any link could be made in the UK in light of the fact that the majority of the use before me relates to the EU with only a low level relating to the UK. As a result, I fail to see how the relevant public in the UK would make the necessary link between the marks as there exists no reputation in the UK.

106. As a result, even if I was wrong and the opponent did enjoy a level of reputation in its marks, I am of the view that the present ground fails for the reasons set out above.

Section 5(4)(a)

107. Section 5(4)(a) of the Act reads as follows:

“(4) 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, where the condition in subsection (4A) is met,

(aa)

(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.”

108. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

109. 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)."

110. Halsbury's Laws of England Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

"Establishing a likelihood of deception generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

- (a) the nature and extent of the reputation relied upon,
- (b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the claimant;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

111. As a preliminary point in respect of this ground, I wish to point out that the ‘Patagonia’ signs relied upon (being its seventh, eighth and ninth signs) offer no assistance to the opponent whatsoever. I say this because the issue of deception under the present ground requires that the applicant’s use of a name, mark or other indicum be the same or sufficiently similar to the sign used by the opponent, for which it has acquired a reputation. Notwithstanding any goodwill owned by the opponent in its ‘Patagonia’ signs, they are wholly dissimilar to the applicant’s mark.

As such, I see no reason why consumers would be deceived into believing that the marks/signs originate from the same source or are connected.

Goodwill

112. I am of the view that I can deal with the present ground swiftly. While the evidence before me in these proceedings was insufficient to demonstrate enhanced distinctive character or reputation in the UK, I remind myself that even small levels of use may be sufficient to maintain a claim under the present ground.³⁵ Therefore, despite the low level of UK use, I am of the view that the evidence is sufficient to demonstrate that opponent's business enjoys at least some level of protectable goodwill in the UK for which the signs 'R1' through 'R5' are distinctive of and/or associated with.

113. Having reached the above finding, I am reminded of the case of *Marks and Spencer PLC v Interflora*³⁶ wherein Lewison L.J. found that although the test for misrepresentation is different from that for likelihood of confusion in that it entails "deception of a substantial number of members of the public" rather than "confusion of the average consumer", it is unlikely that the difference between the legal tests will produce different outcomes. I consider that this is particularly the case given that the first through fifth signs relied upon here are identical to those marks relied upon under the section 5(2)(b) ground. Further, the goods for which the applicant claims to have obtained goodwill in are, for the most part, identical to those relied upon under its 5(2)(b) ground.³⁷ Therefore, the same level of similarity between the parties' marks/signs and goods highlighted under the section 5(2)(b) ground will apply here. This means that for identical or similar goods, I am of the view that a similar finding can be reached here, namely that there exists a misrepresentation between the applicant's mark and the signs relied upon. I consider that damage

³⁵ See *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590, for example

³⁶ [2012] EWCA (Civ) 1501

³⁷ I note that there are additional goods and services relied upon but I see no reason why these would be of any benefit to the opponent so I do not consider it necessary to discuss them further.

through diversion of sales is easily foreseeable. Therefore, the opposition based upon section 5(4)(a) is, therefore, successful.

CONCLUSION

114. The opposition succeeds in its entirety and, subject to any successful appeal of my decision, the applicant's mark is refused registration for all of the goods applied for.

COSTS

115. The opponent has succeeded in full and is, therefore, entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 1/2016. In the circumstances, I award the opponent the sum of £1,700 as a contribution towards its costs. The sum is calculated as follows:

Preparing a notice of opposition and considering the counterstatement:	£300
Filing evidence, considering the applicant's evidence and filing evidence in reply:	£800
Filing written submissions in lieu:	£400
Official fees:	£200
Total:	£1,700

116. I hereby order UK Distributors (Footwear) Ltd to pay Patagonia, Inc. the sum of £1,700. The above 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 4th day of June 2025

A COOPER

For the Registrar