O/0529/24

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF APPLICATION NO. UK00003826777

BY SHENZHEN RONGYA YOUPIN PLASTIC HARDWARE PRODUCTS CO., LTD

TO REGISTER THE TRADE MARK:

SMILY MIA

IN CLASS 10

AND IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 438838

BY SMILY MIA, LLC

AND IN THE MATTER OF APPLICATION NO. UK00003848555

BY SMILY MIA, LCC

TO REGISTER THE TRADE MARK:

SMILY MIA

IN CLASSES 8 AND 10

AND IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 439037

BY SHENZHEN RONGYA YOUPIN PLASTIC HARDWARE PRODUCTS CO., LTD

BACKGROUND AND PLEADINGS

1. On 6 September 2022, Shenzhen Rongya Youpin Plastic Hardware Products Co., Ltd ("Shenzhen") applied to register the trade mark SMILY MIA under application no. 3826777 ("the 777 Mark"), in the UK. The application for the 777 Mark was published for opposition purposes on 25 November 2022 and registration is sought for the following goods:

Class 10	Respiratory masks for medical purposes; Incubators for babies; Nasal aspirators; Menstrual cups (intravaginal utensils for menstruation); Nipples for baby bottles; Teething rings; Babies' bottles; Breast pumps; Pacifiers for babies; Feeding bottle teats; Baby feeding pacifiers.

2. On 25 January 2023, the application for the 777 Mark was opposed by Smily Mia, LLC ("Smily") based upon section 5(4)(a) of the Trade Marks Act 1994 ("the Act"). Smily relies upon the sign SMILY MIA, which it claims to have used throughout the UK since 2018 in relation to: "table cutlery, namely, spoons and spoons for babies; table knives, forks and spoons for babies" and "teething rings". Smily claims that use of the 777 Mark would be contrary to the law of passing off.

3. In the meantime, on 11 November 2022, Smily had also applied to register the sign SMILY MIA under application no. 3848555 ("the 555 Mark"), in the UK. The application for the 555 Mark was published for opposition purposes on 9 December 2022 and registration is sought for the following goods:

Class 8	Table cutlery, namely, spoons and spoons for babies; Table knives, forks and spoons for babies.
Class 10	Teething rings.

4. On 3 February 2023, the application for the 555 Mark was partially opposed by Shenzhen based upon section 5(1) of the Act. Shenzhen relies upon the 777 Mark, the details of which are set out above. Shenzhen relies only upon the term "teething

rings” and the opposition is directed only at the identical term in Smily’s specification. Shenzhen claims that the 777 Mark and the 555 Mark are identical and the specifications cover identical goods, such that the 555 Mark should be refused registration.

5. Both parties filed counterstatements denying the claims made.

6. The proceedings were consolidated on 25 July 2023.

7. Neither party requested a hearing, and neither party filed written submission in lieu. This decision is taken following careful consideration of all papers on file.

REPRESENTATION

8. Smily is represented by Dynham Limited and Shenzhen is represented by IPEY.

EVIDENCE AND SUBMISSIONS

9. Smily filed evidence in chief in the form of the witness statement of Paul Moore dated 19 June 2023, which is accompanied by 12 exhibits. Mr Moore is the Managing Director and owner of Smily.

10. Shenzhen filed written submissions during the evidence rounds dated 8 August 2023.

RELEVANCE OF EU LAW

11. 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.

DECISION

MY APPROACH

12. As the 777 Mark is the only earlier right relied upon in the opposition against the 555 Mark, I will begin by considering whether the 777 Mark can proceed to registration or whether Smily's opposition against that mark is successful. I will then return to consider the opposition against the 555 Mark.

THE OPPOSITION AGAINST THE 777 MARK

13. Section 5(4)(a) of the Act states 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, or
> >
> > (b) […]
>
> A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark".

14. 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."

15. 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)."

Relevant date

16. There is no suggestion that Shenzhen had been using the 777 Mark prior to the filing date. Consequently, I have only the prima facie relevant date to consider which is the filing date for the 777 Mark i.e. 6 September 2022.

Goodwill

17. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), goodwill was described in the following terms:

> "What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

18. I bear in mind that the law of passing off does not protect a goodwill of trivial extent.[1] In *Smart Planet Technologies, Inc. v Rajinda Sharma* (BL O/304/20), Mr Thomas Mitcheson QC, as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. After reviewing these authorities Mr Mitcheson concluded that:

> "... a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon."

19. Mr Moore gives evidence that he founded Smily in 2018 in Alaska. In the same year he purchased the domain name SMILYMIA.COM. Smily's teething products are visible on its website, with prices displayed in US dollars.[2] A print out of Smily's Amazon store is also provided, although this is dated after the relevant date (being contemporaneous to Mr Moore's statement) and there is nothing to identify at which jurisdiction this page is targeted.[3]

20. There is evidence of Smily's teething product being offered for sale via Amazon.co.uk.[4] This product was first listed for sale on 17 November 2020. I note that Shenzhen criticises this evidence, as it states that there is nothing to prove the accuracy of this date or that it has not been amended since. However, nothing will turn on this. The page displays 8 reviews from UK customers, all of which are dated after the relevant date. Mr Moore gives evidence that the listing has "garnered 21,324 global ratings and 1,601 reviews". However, as Mr Moore states that these are global ratings, it is not clear to me how many of these would relate to customers located in the UK. Further, as Mr Moore's statement is made in the present tense, it appears to be

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[1] *Hart v Relentless Records* [2002] EWHC 1984 (Ch)
[2] Exhibit 3
[3] Exhibit 4
[4] Exhibit 9

accurate as of the date of his statement, rather than as at the relevant date. Consequently, I am not able to determine how many ratings/reviews this listing would have had by the relevant date. This is supported by the fact that Mr Moore has provided a selection of these ratings, only 3 of which are dated prior to the relevant date.[5]

21. Smily promotes its products via social media.[6] However, there is nothing to suggest that these pages are targeted at the UK market, nor how many of the followers are based in the UK.

22. In terms of sales, Smily issued an invoice to a Polish customer in October 2018 for the sum of $23,815.92.[7] I note that Mr Moore states that this customer sold the goods on, but there is nothing to suggest that they were sold to UK customers. Mr Moore states that they placed a repeat order in August 2022. Another invoice is provided, which is addressed to a customer located in the US.[8] This is for a total sum of $408. However, as the relevant market for assessing goodwill is the UK market, neither of these sales assist Smily. There is only one invoice provided which relates to a sale made to a customer located in the UK; this is dated November 2022 and is for the sum of $960 dollars.[9]

23. Taking the evidence as a whole into account, I am not satisfied that Smily has demonstrated the requisite goodwill in the UK. This is because there is only evidence of one sale made to a UK customer, which was after the relevant date. Whilst Smily has a UK-focused Amazon listing, there is no evidence before me as to how many sales were made via that listing prior to the relevant date. The number of reviews that I am able to date prior to the relevant date (which are, themselves, very limited in number) are, in my view, insufficient to satisfy the requirement of demonstrating a protectable goodwill.

24. The opposition based upon section 5(4)(a) of the Act falls at the first hurdle.

[5] Exhibit 10
[6] Exhibits 11 and 12
[7] Exhibit 5
[8] Exhibit 8
[9] Exhibit 7

25. As a result, the opposition against the 777 Mark is unsuccessful.

THE OPPOSITION AGAINST THE 555 MARK

26. As I have found the opposition against the 777 Mark to be unsuccessful, Shenzhen can rely upon that mark for the purposes of its opposition against the 555 Mark.

27. Section 5(1) of the Act states:

> "A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected."

28. Section 5A of the Act is as follows:

> "5A 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."

29. The 777 Mark qualifies as an earlier trade mark pursuant to section 6 of the Act. It is not subject to the use provisions of section 6A of the Act and so Shenzhen can rely upon the goods identified without having to demonstrate that the mark has been used in relation to them.

Identity of the marks

29. Both marks consist of the words SMILY MIA. They are, plainly, identical.

Identity of goods

30. Shenzhen relies upon "teething rings" for which the 777 Mark is registered. The opposition is directed against only the term "teething rings" in the specification of the 555 Mark. Plainly, those terms are identical.

Finding

31. I note that in its Notice of opposition, Shenzhen has set out its claim based on a likelihood of confusion. However, section 5(1) does not require a likelihood of confusion assessment; all that is required is that the marks and goods are identical. As the marks and the goods are identical in this case, the opposition against the 555 Mark based upon section 5(1) of the Act succeeds.

CONCLUSION

32. The opposition against application no. 3826777 is unsuccessful and, subject to any successful appeal, the application may proceed to registration.

33. The opposition against application no. 3848555 is successful. As a result, the application is refused in respect of the following goods against which the opposition was directed:

Class 10	Teething rings.

34. The application can proceed to registration for the following unopposed goods:

Class 8	Table cutlery, namely, spoons and spoons for babies; Table knives, forks and spoons for babies.

COSTS

35. Shenzhen has been successful in relation to both oppositions. Consequently, it is entitled to a contribution towards its costs based upon the scale published in Tribunal

Practice Notice 2/2016. In the circumstances, I award Shenzhen the sum of **£1,400**, calculated as follows:

Preparing a Notice of opposition, a counterstatement and considering Smily's pleadings	£400
Considering Smily's evidence	£550
Preparing written submissions	£350
Official fee	£100
Total	**£1,400**

36. I therefore order Smily Mia, LLC to pay Shenzhen Rongya Youpin Plastic Hardware Products Co., Ltd the sum of **£1,400**. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 7th day of June 2024

S WILSON
For the Registrar