O/0688/24

TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK APPLICATION NO. 3799234

IN THE NAME OF SUCHUN XIE

AND

OPPOSITION UNDER NO. 436558

BY HUGO BOSS TRADE MARK MANAGEMENT GMBH & CO. KG

Background and pleadings

1. On 15 June 2022 ("the relevant date"), Suchun Xie ("the applicant") filed trade mark application number 3799234 for the word "BOSSVEL" ("the contested mark"). The application concerns the following specification of goods:

> Class 25: Tops [clothing]; Pants; Dresses; Coats; Gloves; Underpants; Shoes; Hats; Socks; Underwear.

2. The application for registration is opposed by HUGO BOSS Trade Mark Management GmbH & Co. KG ("the opponent"). The opponent's claim was narrowed prior to the hearing and is now based on ss. 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act"). It is directed against all of the goods in the contested mark's specification. The opponent relies on the following trade marks under s. 5(2)(b):

Trade mark number	**Trade mark**	**Relevant dates**	**Specification relied upon under s. 5(2)(b)**
UK3618619 ("UK619")	BOSS	Filing date: 30 March 2021 Registration date: 12 November 2021	Class 25: Clothing for men, women and children; stockings; headgear; underwear; nightwear; swimwear; bathrobes; belts; shawls; accessories, namely headscarves, neck scarves, shawls, dress handkerchiefs; ties; gloves; shoes; belts of leather. Class 35: Wholesale and retail services in relation to clothing, footwear.

UK900049221 (“UK221”)	BOSS	Filing date: 1 April 1996 Registration date: 29 January 2009	All goods in class 25 (identical to UK619).

3. The opponent claims that the contested mark is similar to each of the above marks and that the goods and services are identical or similar. It says that there is a likelihood of confusion and that the application should be refused under s. 5(2)(b).

4. The opponent also asserts that both of the above earlier marks have a reputation for goods in class 25 and that UK619 has a reputation for certain services in class 35. The opponent says that the earlier marks are particularly well known for high quality clothing, footwear and headgear and for retailing of the same. It claims that the similarity of the marks will give rise to a link in the mind of the average consumer and that use of the contested mark would take unfair advantage of the earlier marks and/or would damage their reputation and distinctive character. The opponent says that the applicant “intentionally embarked on an effort to exploit […] the efforts to which the Opponent has gone to generate its reputation”. Consequently, the opponent asks that the application be refused under s. 5(3) of the Act.

5. The holder filed a counterstatement denying the grounds and putting the opponent to proof of use of UK221. I will return to the detail of the counterstatement in due course.

Hearing and representation

6. A hearing was held before me, by videoconference, on 23 October 2023. The opponent was represented by Darren Meale of Simmons & Simmons LLP. The applicant chose neither to attend nor to file written submissions in lieu; it has filed no submissions in these proceedings other than those contained in the counterstatement. The applicant has been professionally represented throughout by IBE Avocat – Isabelle Bertaux.

Evidence

7. Only the opponent filed evidence. It is given by Paul Daly, who is the Vice President Finance & Admin of HUGO BOSS (Schweiz) AG and location manager of the Hugo Boss companies located in Zug, Switzerland. He is also, and has been since 2015, an authorised representative of the opponent. Mr Daly explains that the opponent is a company within a group of companies, of which HUGO BOSS AG is the parent. The purpose of his evidence is to establish that the earlier marks have been used and that they have gained a reputation for the goods and services relied upon.

8. Mr Daly was not cross-examined. I have read all of his evidence and will refer to it as appropriate later in this decision.

Preliminary issues

9. The table at paragraph 2, above, sets out the goods and services as they are identified in the form TM7 and statement of grounds for the claim under s. 5(2)(b). In its skeleton argument, the opponent says that for its opposition under this ground it relies upon classes 25 and 35 of UK619 and class 25 of UK221. It then says this:

> "For [UK619] in class 35 [the opponent] relies upon "*Wholesale and retail services in relation to clothing, footwear, headgear…", Management of retail stores in relation to clothing, footwear, headgear…", "Online wholesale and retail services and online ordering services in relation to clothing, footwear, headgear…",* and *"Mail ordering retail services and computerized online ordering services in relation to clothing, footwear, headgear…"* [original emphasis].

10. There is no difficulty with the opponent's reliance on all goods in class 25 of either earlier mark: that was clearly pleaded at the outset. However, the opponent only identified "wholesale and retail services in relation to clothing, footwear" as the services relied upon in class 35 of UK619 for the grounds under s. 5(2)(b). Insofar as the services listed in the skeleton argument are subsets of the services originally pleaded, the opponent may rely upon them. However, where the services in the skeleton argument do not fall within the services originally claimed, the opponent may

not widen its reliance without permission and none has been sought. I will return to this point should it become necessary.

11. In relation to the reputation claim under s. 5(3), the skeleton argument says that the opponent relies upon its reputation for "clothing (and/or types thereof)" for both earlier marks, along with "retail etc of clothing (and/or types thereof") in UK619.[1] In terms of the registered specifications, for the goods I understand this to correspond to "clothing for men, women and children", which includes any specific goods covered by that umbrella term. For the services, I understand the opponent now to rely upon "retail services in relation to clothing" in class 35, which also includes types of clothing retail services (e.g., online retail of clothing) which fall within that broad term.

Relevance of EU law

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, s. 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. This is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

Proof of use

13. Proof of use is provided for at s. 6A, which 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

[1] Skeleton argument, §54.

(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.”

14. As the earlier mark is a comparable mark, 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."

15. 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 Bundervsvereinigung 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]."

16. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Carr J summed up the law relating to partial revocation as follows (at [47]):

"iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Pl*c [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been

used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

17. UK619 had not been registered for five years at the relevant date and is not caught by the genuine use provisions: it may be relied upon without the need for use to be shown. UK221 had been registered for the required period and the applicant put the opponent to proof of the mark's use. The relevant period for showing use of UK221 is 16 June 2017 to 15 June 2022.

The evidence

18. The evidence shows that:

- The "BOSS" brand was launched in the early 1970s, selling "high quality men's collections". It is unclear when it was first launched in the UK;[2]

- The "BOSS" womenswear range was first sold in the UK in 2001;[3]

- Shoes were added to the range in 2004.[4] It is unclear precisely when they were first sold in the UK;

- Sales of "BOSS"-branded clothing in the UK between 2017 and 2021 were significant. For instance, in 2020, the year of the pandemic, clothing sales exceeded €190 million; in other years total sales were higher. UK sales of "BOSS"-branded shoes exceeded €17 million in each year of the relevant period;[5]

- There have been physical stores in London and Glasgow since 1996, Sheffield since 1998 and a second London store since 2000.[6] There are some difficulties with the evidence regarding retail stores, to which I will return, but I see no reason to doubt the correctness of these dates and locations;

[2] Daly, §9.
[3] Daly, §27.
[4] Daly, §9, PAD08.
[5] PAD2A.
[6] Daly, §17.

- "BOSS" stores in London and Bicester are identified on invoices from the relevant period as "end users" for the various items of clothing listed (e.g. suits, sweatshirts, coats, caps);[7]

- The HUGO BOSS online store opened in the UK in 2008. Visitor numbers (number of sessions) were over 9.5 million annually throughout the relevant period;[8]

- "BOSS" collections were referenced on vogue.com from 2014 to 2022 (including in the relevant period; there are also three pre-2014 collections).[9] Both menswear and womenswear are pictured.

19. Prints from the relevant period show:

- "BOSS"-branded clothing (including underwear and swimwear), trainers, slippers and caps for sale on UK websites including John Lewis and Harvey Nichols.[10] The majority is men's clothing but there are a few items of womenswear and boys' clothing;

- Promotion of various items of menswear and womenswear (including hats and gloves), as well as trainers, on www.hugoboss.com/uk in relation to the word mark "BOSS" and the stylised forms of "BOSS: HUGO BOSS" and "HUGO: HUGO BOSS" shown at paragraph 20 below.[11] "BOSS / HUGO" , with "HUGO" in red, also appears next to some of the clothing. I note that items such as women's nightwear, beachwear and bathrobes are listed on one print from May 2021, though there are no images of these goods for sale.

20. This is the stylised form of the marks referred to above:

[7] PAD5A.
[8] Daly, §§9, 22-24.
[9] PAD10, pp. 187-193.
[10] PAD07.
[11] PAD09.

21. There is also advertising material showing a range of men's and women's clothing, as well as different types of shoes, under the "BOSS" mark, from 2013 into the relevant period.[12]

Analysis

Form of the mark

22. There is some word-only use. There is also use of "BOSS" in a sans serif typeface in a bold font, as in UK619. This also qualifies as use of UK221: the stylisation is so basic it would fall under fair and notional use and has no effect on the distinctive character of the word "BOSS".[13] The same applies to the slightly stylised typeface as shown in the "BOSS: HUGO BOSS" mark above.

23. The question of variant use also applies where a mark has been used with other matter and is relevant for the figurative marks shown at paragraph 20, above. The leading case is *Colloseum Holdings AG v Levi Strauss & Co.,* Case C-12/12, EU:C:2013:253. The Court of Justice of the European Union ("CJEU") confirmed that the "use" of a mark encompasses both its independent use and its use as part of another mark. However, the use of a mark as part of a composite mark or alongside another mark will only be genuine use where the mark continues to be perceived as indicative of the origin of the product at issue (at [31]-[35] of the court's judgment). "HUGO BOSS" is not an acceptable variant of "BOSS" alone, because it identifies an individual and "BOSS" is no longer the indicator of origin in the combination. However, the single word "BOSS" placed above it in the "BOSS: HUGO BOSS" mark shown above continues to indicate the origin of the goods, albeit alongside another mark ("HUGO BOSS"). This mark is an acceptable variant of UK221. The "HUGO: HUGO BOSS" figurative mark is not an acceptable variant, for the reason I have given above.

Sufficiency of use and fair specification

24. Based on the evidence detailed above, I am satisfied that genuine use of UK221 has been established for men's and women's clothing and shoes. It is true that not

[12] PAD10.
[13] The correct approach to determining whether there is an alteration of the distinctive character is set out in *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22 at [13]-[17].

every type of clothing named in the specification is displayed for sale in the evidence, though many are referenced. However, it is clear that there has been use across the category of clothing, even if that does not include every single type of clothing possible. The average consumer would consider that the mark has been used for men's and women's clothing at large; it would be pernickety in the circumstances to restrict the specification to the (many) individual types of such clothing which are shown in the evidence. In my view, a fair specification includes "clothing for men and women; shoes for men and women".

25. The evidence relating to children's clothing is far more limited. The evidence is that the opponent granted a licence for "BOSS" childrenswear in 2009.[14] Licensed childrenswear sales in the UK are said to have totalled at least €10 million each year from 2017 to 2021.[15] However, the exhibit said to support this does not show any children's clothing at all.[16] Baby dungarees and a baby gift set including bodysuit, hat and bib are shown as available for purchase in GBP on the www.hugoboss.com/uk site in 2019 (i.e., in the relevant period). The very top of the page identifies these as "BOSS" goods. There are a few items of boys' clothing shown on third-party websites. Mr Daly has provided sales figures for "nursery & sleepingbags" (sic) and "romper, bodysuits & bodies" in the relevant period.[17] However, the former is more likely to mean nursery items other than baby clothing, such as Moses baskets, given that "nursery" is paired with sleeping bags. "Rompers" and "bodysuits" can be baby-/childrenswear but these terms are also used for items of women's clothing. Further, I am not aware that "bodies" is a term used for any baby/children's clothing but it is used for women's clothing. It is therefore unclear whether this evidence relates to children's clothing or not.

26. It is surprising that the sales figures for children's clothing are supported with barely any documentary evidence but there has been no challenge to Mr Daly's evidence of sales. In view of this and given that there is some, albeit very thin, documentary evidence of children's clothing being offered for sale under the BOSS mark, I find that there has been genuine use of UK221 in relation to children's clothing.

[14] Daly, §27, PAD08.
[15] Daly, §30.
[16] PAD11.
[17] PAD2A.

In relation to children's footwear, there is an example of a trainer identified as "Boss Boss Logo Strap Tr Jn04" on a page with some boys' clothing.[18] However, I cannot be sure if this is a trainer for adults or children. The website address and tab at the top of the page indicate that it shows "Boss" clothing; there is nothing to suggest that the items are specific to children. While the other items on the page are for children, they are also clearly identified as such (e.g., "Boss KIDS BOY BLUE JOGGINGBOTTOMS"). I have not been able to detect any other evidence showing children's shoes. I also bear in mind that it would have been possible for the opponent to provide clear evidence of the goods on sale or being advertised, and specific sales figures, but there is no such evidence. The evidence does not establish to the required standard that there has been genuine use of the earlier mark on or in relation to children's shoes.

27. The opponent may rely upon UK221 in respect of "clothing for men, women and children; shoes for men and women".

The s. 5(2)(b) grounds

28. The relevant parts of s. 5 read as follows:

> "5.— (2) A trade mark shall not be registered if because—
>
> (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.
>
> […]

[18] PAD07, p. 98.

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 following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, EU:C:1997:528; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, EU:C:1998:442; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, EU:C:1999:323; *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, EU:C:2000:339; *Matratzen Concord GmbH v OHIM*, Case C-3/03, EU:C:2004:233; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, EU:C:2005:594; *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P, EU:C:2007:333; and *Bimbo SA v OHIM*, Case C-591/12P, EU:C:2016:591:

(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

30. In the judgment of the CJEU in *Canon*, the court stated at paragraph 23 that:

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

31. In *Gérard Meric v Office for Harmonisation in the Internal Market,* Case T-133/05, EU:T:2006:247, the General Court 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 fur Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark."

32. The contested "tops [clothing]; pants; dresses; coats; gloves; underpants; hats; socks; underwear" are all types of men's, women's and children's clothing. These goods are encompassed by (each of) "clothing for men, women and children" for which the earlier marks are protected and, as such, are identical based on the principle in *Meric*.

33. The contested "shoes" are literally identical to the same term in UK619 and identical under *Meric* to "shoes for men and women" in UK221.

34. UK619's wholesale and retail services are clearly less similar than the goods considered above since they differ in at least nature, purpose and method of use. The opponent's overall case is no stronger based on these services. If the opposition fails in respect of the identical goods, it will, all other factors being equal, also fail for the less similar services. It is unnecessary to consider the services further under this ground.

Average consumer and the nature of the purchasing act

35. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect: *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). For the purposes of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*.

36. The opponent submits that the average consumer is a member of the general public. I agree: the goods at issue are ordinary consumer goods. The opponent also submits that the average consumer will pay a less than average degree of attention when selecting the goods, because they are "everyday purchases and will include basic, low price staple goods". It is true that some items of clothing are inexpensive and that some are everyday items of wear. However, whilst clothing may be bought fairly frequently, it is not a daily purchase and is not, in general, very cheap. Further, the consumer will be attentive to factors such as size, colour, fit, fabric and style, even for basic items. The same applies to shoes. In the main, the average consumer will pay a medium degree of attention to the selection of the goods.

37. The selection process for the items at issue will be by selection from the rails/shelves of retail premises or their online equivalents. Advertising is likely to be through visual means such as hoardings and television or magazine advertisements. The selection process will be predominantly visual, though there may be an aural aspect to it which I do not discount.

Distinctive character of the earlier trade mark

38. In *Lloyd Schuhfabrik Meyer,* 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 *WindsurfingChiemsee 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)."

39. The earlier marks consist of the word "BOSS". Although UK619 is presented in a particular font, this element of stylisation does not add to the distinctiveness. The word "BOSS" means a person who is in charge, usually in a work environment, though it can mean the decision-maker in private situations as well. It has no connection to the goods for which the earlier marks are registered. "BOSS" may also be a surname, though my experience is that, in the UK, it is not a common one. In my view, the earlier marks are inherently distinctive to a medium degree.

40. As evidence has been filed, enhanced distinctive character must be considered. In addition to the evidence described above, archive prints from 2012 to 2016 show both menswear and womenswear on sale in GBP at store-uk.hugoboss.com, under the name "BOSS" and variants such as "ESSENTIAL BOSS", "BOSS Black", "BOSS Green" and "BOSS Orange".[19] These are qualifying uses of "BOSS", adding either a non-distinctive element or what will be seen as a secondary brand. There is evidence of advertisements for menswear and womenswear dated between 2013 and 2019.[20] The "BOSS: HUGO BOSS" mark is visible, along with the months when the advertisements were intended to be in stores. Marketing spend in the UK for apparel was between €508,000 and €867,000 per year in the relevant period.[21] This is not specific to the "BOSS" marks. Examples of advertisements dated during and prior to the relevant period show the "BOSS: HUGO BOSS" mark and "BOSS" superimposed on other advertisements, which are labelled as clothing adverts but the images are far from clear.[22] These were carried in magazines such as *Vogue*, *Esquire* and the *Sunday Times Style* supplement.

[19] PAD09.
[20] PAD10, from p. 179.
[21] Daly, §39.
[22] PAD14.

41. There is also evidence of high-profile sports sponsorship. This includes being clothing sponsor of major UK golf tournaments since 2010, and Formula 1 and Formula E motor racing teams between 2015 and 2019 (as well as an unspecified 33-year sponsorship of the UK-based McLaren Formula 1 team).[23] There has also been sponsorship of individual sportsmen such as golfer Patrick Cantlay, a "two-time PGA Tour winner and a top-10 player in the world" (appointed brand ambassador in 2020), British yachtsman Alex Thomson from 2003, and heavyweight boxers Vitali and Wladimir Klitschko (from 2002) and Anthony Joshua (from 2019). The evidence shows the "BOSS: HUGO BOSS" mark on promotional material as well as applied to sports clothing and sporting equipment, such as cars and yachts. The partnership with Anthony Joshua resulted in a capsule collection under the name "BOSS x AJBXNG", which is visible on promotional material and articles, including in the *Daily Mail*, from 2020 and 2021. In addition to the above, the opponent has collaborated with American sportswear brand Russell Athletic since 2021, though there is no indication of the extent of any UK promotion.[24] In January 2021, Hollywood actor Chris Hemsworth was named brand ambassador for the "Boss" brand.[25]

42. Although not from a clearly UK-targeted site, I also note a comment from vogue.com dated 2014 that "Boss is a German menswear brand famous around the world for its tailoring".[26]

43. I accept that the earlier marks had a highly distinctive character for men's and women's clothing by the relevant date. The sales of children's clothing are to a large degree unsupported: there is very limited evidence of the goods being on sale and no advertising material. The figures themselves are not trivial but there is no indication of the size of the children's clothing market or the share of it which the earlier marks enjoy. I am not prepared to find that the distinctiveness of the earlier marks for children's clothing has been enhanced on the basis of bare sales figures and a handful of examples of the goods being offered for sale.

44. Shoe sales are dwarfed by those of apparel but they are still reasonable. There is no evidence of market share. The UK footwear market is, however, likely to run to

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[23] Daly, §§49-52; PAD18 – PAD21.
[24] PAD16.
[25] PAD17.
[26] PAD10, p. 189.

billions of pounds, of which the opponent's sales are probably but a very small part. Although there is some advertising material which includes shoes, there are no advertising figures for these goods and no third-party references to the earlier marks being known for shoes. I also bear in mind that, whilst there has been significant sports sponsorship, this has been as a clothing sponsor. I do not consider that enhanced distinctiveness of the earlier marks has been established for shoes.

Comparison of trade marks

45. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo*, 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."

46. The trade marks to be compared are:

Earlier trade marks	Contested trade mark
BOSS (UK619) BOSS (UK221)	BOSSVEL

47. The opponent submits that "BOSS" is the dominant and/or a distinctive element of the contested mark, which is visually, aurally and conceptually identical to the sole or a dominant and/or distinctive element of each of the earlier marks. It also says that "-

VEL” in the contested mark has the nature of a suffix. The opponent submits that the marks are highly similar both visually and aurally and that they are conceptually similar.

48. The applicant says that its trade mark is an invented, meaningless word with no dominant element. It accepts some points of similarity between the trade marks but says that, overall, they are not similar visually or phonetically and that they have no conceptual aspects in common.

49. The contested mark consists of the invented word “BOSSVEL”. I agree with the applicant that there is no dominant element. “-VEL” is not a known suffix and there is nothing else in the mark itself to suggest that it should be divided into different parts. I accept that “BOSS” is an ordinary word but as the second half of the mark is not also a known word, the consumer is unlikely to bisect the mark into two clear parts. The contested mark will be taken by the average consumer as a single word, in which the overall impression lies.

50. The earlier marks’ overall impression lies in the single word “BOSS”. The stylisation of UK619 is so slight, amounting to no more than the use of a bold font, that it is unlikely to play any material part in the overall impression. My comments below can therefore be taken to apply to both earlier marks equally.

51. The competing marks share the same four letters at their start. However, the contested mark is noticeably longer and the last three letters are completely different. The marks are visually similar to a lower than average degree.

52. The earlier marks will be given their conventional pronunciation. There is nothing unusual about the way in which the contested mark will be verbalised: it will be pronounced “BOSS-VEL”. The marks thus share one identical syllable but the contested mark also has a second, very different syllable. They are aurally similar to a lower than average degree.

53. The opponent says that “both marks concern a ‘boss’” so they are conceptually similar. I disagree. I have already found that the contested mark will not be broken down into any constituent parts. In my view, it will not be given any meaning at all: it

will be perceived as an invented word. The earlier marks mean either a person in charge or, less likely, a surname. There is therefore no conceptual similarity.

Likelihood of confusion

54. Whether there is a likelihood of confusion is a global assessment, which must take into account all of the factors considered above. The likelihood of confusion must be determined from the perspective of the average consumer, who will rely on their imperfect recollection of the trade marks. The factors are interdependent meaning, for example, that a greater degree of similarity between the trade marks may be offset by less similarity between the goods.

55. In *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, Mr Iain Purvis QC (now KC), as the Appointed Person, explained 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).”

56. The opponent’s focus at the hearing was on indirect confusion. For the record, I do not consider that there is any likelihood of direct confusion. Even bearing in mind imperfect recollection, the differences between the marks are too pronounced, notwithstanding other factors in the opponent’s favour, for the marks to be mistaken for one another.

57. As regards indirect confusion, Mr Meale submitted that the average consumer would think that there is a connection between the marks and that one mark was a spin-off or sub-brand of the other. Mr Meale also relied specifically upon the type of confusion considered in *Medion v Thomson*, Case C-120/04, EU:C:2005:594. This judgment was considered in *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), where Arnold J (as he then was) considered the impact of the CJEU’s judgment in *Bimbo,* Case C-591/12P, on the court’s earlier judgment in *Medion.* He said:

> “18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.
>
> 19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law,

the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors."

58. I have already held that the contested mark will be seen as a single word and that there is nothing to signpost to the average consumer that "BOSS" is or should be read as a separate element of the mark. That is a finding that "BOSS" is not an independent distinctive element and the opponent's case based on *Medion* fails accordingly.

59. As regards the more usual types of indirect confusion, the most common categories are listed in the extract from *LA Sugar*, above, but these are not exhaustive. Indirect confusion was also considered by the Court of Appeal in *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, where Arnold LJ pointed out at [13] that:

"As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/219/16) at [16] 'a finding of a likelihood of indirect

confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."

60. Despite the identity of the goods and the earlier marks' distinctive character being medium or high, I can see no proper basis on which to find that the average consumer would perceive the marks as related. The addition of "-VEL" at the end of the word "BOSS" is not a predictable or typical extension of a brand, nor is it an addition of a non-distinctive element. As for the first category identified by Mr Purvis, this seems to me to apply only where the element in question will be identified as one element of the whole. I do not consider that that applies here. In conclusion, I can see no reason why the average consumer would consider "BOSSVEL" to be any sort of logical extension or variation of a "BOSS" trade mark, nor why it would be considered to indicate an economic connection with the user of the "BOSS" marks. The opposition based on s. 5(2)(b) fails in its entirety.

Final remarks under s. 5(2)(b)

61. For the avoidance of doubt, the opposition would also have failed in respect of UK619's services. The services are similar to the contested goods to no more than a medium degree and, for the same reasons given at paragraphs 73 to 74 below, the earlier mark does not have enhanced distinctiveness for retail services. The only evidence potentially capable of showing wholesale services are a few invoices to the opponent's own shops but these are internal sales and insufficient to enhance the marks' distinctiveness. The opponent's case based on the services is, therefore, weaker overall and there is even less likelihood of confusion, whether direct or indirect.

<u>The s. 5(3) grounds</u>

62. S. 5(3) states:

"(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 and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

63. S. 5(3A) states:

"(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected".

64. As the earlier trade mark is a comparable mark, paragraph 10 of Part 1, Schedule 2A of the Act is relevant. It reads:

"10.— (1) Sections 5 and 10 apply in relation to a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the reputation of a comparable trade mark (EU) falls to be considered in respect of any time before IP completion day, references in sections 5(3) and 10(3) to—

(a) the reputation of the mark are to be treated as references to the reputation of the corresponding EUTM; and

(b) the United Kingdom include the European Union."

65. The relevant case law can be found in the following judgments of the CJEU: *General Motors*, Case C-375/97, EU:C:1999:408, [1999] ETMR 950; *Intel,* Case 252/07, EU:C:2008:655, [2009] ETMR 13; *Adidas-Salomon,* Case C-408/01, EU:C:2003:582, [2004] ETMR 10; and *L'Oréal v Bellure*, Case C-487/07, EU:C:2009:378, [2009] ETMR 55; *Marks and Spencer v Interflora*, Case C-323/09, EU:C:2011:604; and *Environmental Manufacturing LLP v OHIM*, Case C-383/12P, EU:C:2013:741. 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: G*eneral 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 Saloman*, 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) the more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark: *L'Oréal v Bellure NV*, paragraph 44.

(g) 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.

(h) 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.

(i) 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'Oréal v Bellure NV,* paragraph 40. The stronger the reputation of the earlier mark, the easier it will be to prove that detriment has been caused to it: *L'Oréal v Bellure NV*, paragraph 44.

(j) 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 proprietor 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'Oréal v Bellure).*

66. In his skeleton argument, Mr Meale submitted that the only part of the s. 5(3) claim denied by the applicant was whether the earlier marks benefitted from a reputation. The opponent's primary position is that link, injury and due cause are not in issue, no case having pleaded by the applicant in their regard.

67. In *Delta Air Lines, Inc v Ontro Limited ("SKYCLUB")*, BL O/044/21, Professor Philip Johnson, as the Appointed Person, considered the requirements for pleadings in Registry proceedings. A defective counterstatement was in issue and Professor Johnson concluded that it "appeared only to address the (now abandoned) section 5(3) ground and nothing (other than experience) would have put the Appellant on

notice that the similarity of goods and services or confusion were in issue in relation to s 5(2)(b)". In the present case, the counterstatement has been professionally prepared. There is no general denial of the grounds in their entirety; rather, each of the grounds is addressed in turn. For s. 5(2)(b), for instance, each of the constituent parts of the assessment of confusion (e.g., comparison of the signs and goods) is addressed individually and in some detail. In contrast, for the grounds under s. 5(3), the applicant summarises the requirements for the ground and then says:

> "The Opponent did not submit evidence demonstrating the reputation of the earlier UKTM registrations for all of the goods designated.
>
> Therefore, it cannot be concluded that the earlier marks obtained a strong reputation in the claimed country in the opposition request as not demonstrated.
>
> Also, another condition is that the contested trade mark would be identical with, or similar to, the earlier allegedly reputed trade marks.
>
> It has been demonstrated above that the trademarks at issue are not either identical or similar.
>
> Therefore, given that two of the necessary requirements of Article 5(3) [sic] of the Trade Marks Act have not been met, the proceedings must be rejected as unfounded insofar as this ground is also concerned."

The above clearly identifies two aspects of the test for s. 5(3) as not having been met: reputation and similarity between the trade marks. The counterstatement is silent on link or unfair advantage/detriment. I realise that if either of the conditions identified by the applicant is not met, the grounds must fail. I also recognise that the degree of similarity between the marks is an essential ingredient in the determination of link and injury, as only a faint degree of similarity makes both less likely, and it could be said that a denial of similarity between the marks is an implicit denial of link and injury. However, as I read it, the counterstatement simply denies any similarity at all. There is no fall-back position put forward for the event that there is found to be any degree of similarity between the marks, or a reputation to any extent. It seems to me that, as in *SKYCLUB*, nothing but experience would have told the opponent that, once the

hurdles of reputation and similarity between the marks had been cleared, it needed to address matters of link and unfair advantage/detriment. The applicant's silence on unfair advantage is particularly surprising, given that there is a clear allegation that the applicant adopted the contested mark deliberately to exploit the reputation of the earlier marks. Nevertheless, this claim is not denied. There seems to have been a clear misunderstanding on the part of the applicant in that it expected evidence of reputation to be filed at the outset, which makes me hesitant to adopt what could be perceived as a harsh attitude towards its pleadings. However, the applicant is professionally represented, it was plainly aware of the requirements of s. 5(3) and has taken a systematic and comprehensive approach elsewhere in its counterstatement, including under s. 5(2)(b), where a total absence of similarity between the marks would also be sufficient to end the claim. Despite this, the applicant has not put either the link or the existence of any of the heads of damage in issue in its counterstatement. My view is that I should treat these parts of the claim as admitted and that if there is to any extent a reputation or similarity between the marks the s. 5(3) grounds will be made out.

68. I bear in mind that, in *SKYCLUB*, the Appointed Person granted the applicant permission to amend its pleadings on appeal. I have considered whether to invite the applicant to amend its pleadings. The applicant chose not to be represented at the hearing, nor to file submissions in lieu. It has filed no application to amend its pleadings in what is the now considerable interval between the hearing and the drafting of this decision. Had an application to amend the pleadings been made, I would have been minded to grant it, given that Mr Meale addressed me on both link and injury at the hearing and did not suggest that further evidence would have been required. However, in view of the applicant's decision to take no part in proceedings after the filing of the TM8 and counterstatement, along with its silence since it received the skeleton argument, I do not consider it appropriate to invite the applicant to apply to amend its pleadings at this stage. For the reasons I have given at paragraphs 49 to 53, above, the marks are similar. It follows that if a reputation is shown, the s. 5(3) grounds will succeed.

69. I note that the first paragraph of the counterstatement quoted above refers only to "goods", not services. Mr Meale did not submit that a reputation for the services relied

upon has been accepted. It seems to me that, in the context of the following paragraphs, in which the reputation is said to be "not demonstrated" and the applicant asserts that the grounds as a whole must fail because a reputation is a necessary requirement which has not been established, the omission of "services" is an obvious mistake. I proceed on that basis.

Reputation

70. In *General Motors,* the CJEU gave the following guidance for the assessment of a trade mark's reputation:

> "25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.
>
> 26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.
>
> 27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.
>
> 28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

71. Under this ground, the opponent relies upon "clothing for men, women and children" for both marks and "retail services in relation to clothing" in relation to UK619. The opponent submits that it should be pushing at an open door in proving its reputation, given that the applicant's denial in its counterstatement is a bare denial and that there has been neither any serious opposition nor any further participation from the applicant. It is, however, clear that the applicant denied a reputation initially

and I do not consider it appropriate to construe its silence since then as an admission. The burden therefore remains on the opponent to prove the claimed reputation, on the balance of probabilities, albeit there has been no criticism of its evidence from the applicant.

72. For the reasons I have given at paragraphs 40 to 43, above, I am satisfied that both earlier marks had a reputation for "clothing for men and women" at the relevant date. However, the reputation did not extend to children's clothing. The sales figures are reasonable but there is hardly any evidence of children's clothing being offered for sale and none of advertising. The home pages of the opponent's website identify men's and women's clothing but there is no mention of children's clothing, so it cannot even be said that it has equal prominence on the opponent's own website. There is no third-party evidence, such as articles in the national press or otherwise, to assist in showing a reputation for "BOSS" children's clothing. The marketing spend is quite modest and is not specific to the "BOSS" mark, nor is it clear how much, if anything, was spent regarding children's clothing.

73. As for retail services, Mr Daly's evidence regarding the number of stores is not clear. He says that there were "currently more than 200 physical stores in the UK, inclusive of airport stores, concessions within department stores and 'outlet' stores";[27] presumably this means at the date of his statement in March 2023. However, the accompanying exhibit, said to be a "complete list", shows 107 locations, five of which are online stores.[28] There is also a map showing the "approximate geographical spread" which appears to show 92 stores in the UK plus four in Ireland. However, there are no store numbers for London, which has a large pin, while Plymouth, Aberdeen and what appear to be Carlisle and Norwich are also identified by large pins of a different type. It is likely that the large pins do identify some kind of retail location, as there is no obvious reason why relatively small and remote urban centres would be favoured with large pins if that were not the case; it is also likely that the different pin for London indicates at least one, if not several stores. The map is dated September 2022 and is therefore closer to the relevant date than the other evidence. There is nothing to explain why this evidence differs so markedly from the figure reached by Mr

[27] Daly, §17
[28] PAD04.

Daly. It seems to me that the real figure is likely to be between 92 and 102 physical outlets. I will base my conclusions on this. Mr Daly says that 90% of stores (albeit 188 of the 200 he claims) are “BOSS” branded. That is a little lower than the 95% shown in the exhibited list. I accept that the vast majority of the outlets are “BOSS” branded. Apart from the four stores which opened between 1996 and 2000, there is nothing to indicate how long the stores have been operating.

74. I accept that around 100 points of sale is not a negligible figure. I am prepared for present purposes to accept that all of these are either stores or concessions providing services which would, properly construed, be retail services (as distinct from the mere sale of its products, or third parties selling the opponent’s goods in their shops, the distinction not being entirely clear from the evidence).[29] However, there is nothing to say how much custom derives from the operation of stores/concessions under the earlier marks. There is some evidence regarding online sales, in particular that the UK online store has been operational since 2008 and that around 20% of the opponent’s annual UK sales are made through this channel.[30] Visitor numbers for the website are in excess of 9 million each year from 2017 to 2021 but they are the number of sessions rather than unique users. There is no evidence at all of market share but the clothing retail market is enormous. Even taking the online retail figures at their highest, the sales have been less than £100,000 per year and amount to a tiny fraction of the market. Overall, my view is that the evidence does not support the claim that the “BOSS” trade marks had a reputation for the provision of retail services relating to clothing at the relevant date.

75. To conclude, the competing marks are similar. The opponent has also established that the earlier marks had a reputation for clothing for men and women. As I have indicated above, in the absence of any denial that there would be a link or injury, those claims must be treated as accepted. The s. 5(3) claim is therefore made out.

Overall conclusion

76. The opposition has succeeded and the application will be refused.

[29] See Daly, §17 and §21.
[30] Daly, §§22-24.

Costs

77. The opponent has been successful and is entitled to an award of costs. Mr Meale submitted that the applicant's approach was wrong but accepted it was not "technically unreasonable" and requests costs at the top of the standard scale (Tribunal Practice Notice 2/2016 refers). I do not think that an award at the top of the scale is warranted. It is true that the applicant has not participated since filing a defence but that alone is not sufficient for an increased award of costs, nor was the denial of a reputation for all of the goods and services originally relied upon unreasonable, not least because the opponent has failed to persuade me that its reputation extends across even its restricted list. I award the opponent £2,400 as a contribution towards the cost of the proceedings, calculated as follows:

Filing the notice of opposition and considering the counterstatement:	£400
Filing and considering evidence:	£1,000
Preparation for and attendance at hearing:	£800
Official fees:	£200
Total:	**£2,400**

78. I order Suchun Xie to pay HUGO BOSS Trade Mark Management GmbH & Co. KG the sum of £2,400. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 18th day of July 2024

Heather Harrison

For the Registrar