O/1040/24

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NUMBER 3596663

BY

TREBAG AG AS TRUSTEE OF MUCHA TRUST

TO REGISTER THE FOLLOWING TRADE MARK
IN CLASSES 3, 6, 9, 16, 18, 20, 21, 24, 27, 28, 30, 32, 33, 34, 35, 41 AND 42

MUCHA

AND OPPOSITION THERETO UNDER NUMBER 435258

BY

JAMILA PLOCKOVÁ AND MUCHA JP PRAHA, SPOL. SR.O.

Background and Pleadings

1. On 17 February 2021, Trebag AG as Trustee Of Mucha Trust[1] ("the Applicant/ Mucha Trust") applied in the UK for the trade mark numbered 3596663, MUCHA ("the contested mark") for goods and services in a whole list of classes as set out in full in the annex to this decision.[2] The contested mark was filed pursuant to Article 59 of the Withdrawal Agreement between the UK and the EU, retaining its original EU filing date of 1 October 2020.

2. On 28 July 2022**,** Jamila Plocková together with MUCHA JP Praha, spol. sr.o. ("the Opponents") opposed the application under sections 5(2)(b), 5(3) and 3(6) of the Trade Marks Act 1994 ("the Act"). For the purposes of their opposition under sections 5(2)(b) and 5(3), the Opponents rely on the UK trade mark numbered 903948627 as set out below:

UKTM no. 903948627

("the earlier mark")

Filed on 29 July 2004 and registered on 25 July 2007, relying on all the goods of its registration in classes 14, 21, 24 and 25 as outlined in full later in my decision.

3. Under section 5(2)(b) the Opponents claim that as a result of the similarity between the marks and the identity/similarity between the goods/services as well as the enhanced degree of distinctive character enjoyed by the Opponents from the use made of their mark, there is a likelihood of confusion on the part of the relevant public, including a likelihood of association. In particular, the Opponents claim that the dominant and distinctive element of both marks is the identical name MUCHA, with

[1] The MUCHA Trust is an entity established by John Mucha the joint heir to the Alphonse Mucha estate.
[2] Prior and subsequent to the hearing held in this matter the Applicant filed a number of TM21B forms (the last of which on 15 January 2024) amending the scope of its registration. The list of goods and services as set out in the annex to this decision reflects the amended specification for which the Applicant now seeks registration.

the difference created by the stylised letters JMP not being sufficient to distinguish between them.

4. Under section 5(3), the Opponents claim that use of the contested mark would, without due cause, take unfair advantage of, or be detrimental to the distinctive character and/or repute of the earlier mark.

5. Under section 3(6) the Opponents claim that the application has been filed in bad faith as it is in breach of a 'Trademark Agreement' dated 2007 ("the Agreement") as between the parties that governs the use of the name 'MUCHA'.

6. The Applicant filed a defence and counterstatement denying each of the Opponents' claims, putting them to strict proof.

7. The trade mark upon which the Opponents rely, qualifies as an earlier trade mark pursuant to section 6 of the Act. As the earlier mark completed its registration process more than 5 years before the application date, it is subject to the proof of use requirements under section 6A of the Act and to which the Applicant has requested proof of use. The Opponents are, therefore, required to show what use has been made of the mark for all the goods relied upon.

Representation

8. The Applicant is represented by Maucher Jenkins and the Opponents are represented by Haseltine Lake Kempner LLP. Only the Opponents filed evidence during the evidence rounds, with the Applicant choosing to file submissions in reply instead. A hearing was requested which was heard before me on 13 December 2023 by video conference. Ms Katie Cameron of Maucher Jenkins appeared for the Applicant. She filed skeleton arguments prior to the hearing. Neither the Opponents nor their representatives attended the hearing, however, they filed submissions in lieu of attendance.

Evidence

9. The Opponents' evidence comes from the witness statement of Jamila Plocková dated 24 April 2023, accompanied by fifteen exhibits marked JMP1-JMP15. Ms Plocková's evidence serves to set out the use that has been made of the earlier mark,

to demonstrate the reputation and enhanced distinctive character held by the Opponents in the earlier mark and to support the bad faith ground.

10. The Applicant filed submissions in reply by way of email dated 10 July 2023. The submissions serve to challenge the evidence of use filed and the reputation claimed by the Opponents and seek to challenge the contention that the application was filed in bad faith.

11. Whilst I have taken all the evidence and submissions into account, I do to propose to set them out in full here but will refer to any salient points as necessary later in my decision.

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, 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

Section 3(6) - Bad Faith

13. I shall deal with the Opponents claim to bad faith first, given that the outcome of this ground will impact on the other grounds relied upon.

14. The relevant section of the Act reads as follows:

> "3(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith."

15. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacilik Tekstil Sanayi ve Ticaret AŞ,* Case C-104/18 P, EU:C:2019:724, *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening,* Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH &*

Co KG (intervening), Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening),* Case T-507/08, EU:T:2011:46. It summarised the law as follows:

> "68. The following points of relevance to this case can be gleaned from these CJEU authorities:
>
> 1.The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].
>
> 2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].
>
> 3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacilik* at [45].
>
> 4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].
>
> 5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].
>
> 6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].

9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].

10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].

11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacilik* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52].

13. Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration: *Psytech* at [88], *Pelikan* at [54]".

16. An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). This means that it is not enough to establish facts which

are as consistent with good faith as bad faith: *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch).

The Relevant Date

17. The contested mark was applied for pursuant to Article 59 of the Withdrawal Agreement between the United Kingdom and the European Union. This provision allows those who had pending EU trade marks at the end of the transition period to file a comparable UK application and claim the filing or priority date of the earlier EUTM as the priority date for the UK application. At IP completion day, namely 31 December 2020, the Applicant had a relevant pending EUTM and it filed the comparable UK trade mark application within the nine month period allowed for doing so. Therefore, in accordance with section 6(2A) and paragraph 25 of Schedule 2A of the Act, the Applicant is entitled to rely on the filing date of its EUTM as the priority date for its comparable UK application for the purpose of establishing "*which rights take precedence*." This means that the filing date of the EUTM, which was 1 October 2020, is the relevant date for determining priority vis-à-vis any conflicting third party trade mark applications. However, the relevant date for determining whether the trade mark is subject to refusal on absolute grounds, in this case the section 3(6) bad faith ground, is the actual filing date of the application in the UK. Consequently, the relevant date for the purposes of the ground of opposition under section 3(6) is 17 February 2021.

The Opponents' claim

18. The Opponents' evidence in support of its bad faith claim comes from Ms Plocková. She states as follows:

- She is the granddaughter of Alphonse Mucha, a renowned Art Nouveau Czech painter, sculptor and artist.
- John Mucha, who established the Mucha Trust, an entity personally and proprietorially connected to him, is the grandson of Alphonse Mucha.
- Both Mr Mucha and Ms Plocková are the surviving heirs to Alphonse Mucha's work and legacy.
- Following inheritance proceedings in Prague confirming the rights of the Mucha Trust and Ms Plocková, an agreement was reached between them in 2007 to settle Alphonse Mucha's property, inheritance and all intellectual

property rights connected to the use of the name MUCHA and his signature as a trade mark. A copy of the Agreement is produced at exhibit JMP14 together with a certified English translation.

- Ms Plocková contends that the terms of the Agreement allows each party to register trade marks containing the element MUCHA with the other agreeing not to challenge any applications or existing registrations. Further, it is said that whilst clause 3.3 of Article III of the Agreement expressly provides that the parties are entitled to use the element MUCHA, neither are entitled "to exclusively reserve it" for themselves. Ms Plocková goes on to explain that the word element represents the family name and as such is not reserved for the exclusive use of one party. Under the terms of the Agreement, applications featuring the word element are permissible, but not those which consist exclusively of the word mark MUCHA.
- The application of the contested mark is, therefore, said to have been filed in bad faith as the filing would constitute a breach of clause 3.3 of Article III of the Agreement, as registration of the word mark MUCHA with no additions would provide the Applicant with exclusive rights in the mark.
- Ms Plockovà outlines that there are a number of ongoing proceedings involving the parties before the EUIPO and the Czech IPO.
- One such proceedings related to a Czeck national trade mark 'iMuCHA' owned by the Opponent/s. The Applicant issued invalidation proceedings against this registration, based on trade mark registrations containing the element MUCHA, where it claimed that it was the sole person/entity authorised to develop the Alphonse Mucha legacy, work and use of the name MUCHA. Within these proceedings it is said that no reference was made to the Agreement. Ms Plockovà states that this demonstrates that the Applicant was deliberately concealing the fact that both parties were joint heirs to the Alphonse Mucha legacy and seeking to create an image that it alone had the sole rights to the MUCHA name. The decision on the invalidity action was issued by the Czech office (as an appeal body) in February 2023, which it is said concluded that both parties were "free to use the word mark MUCHA but neither shall reserve it exclusively for itself."[3] Ms Plocková

[3] Paragraph 30.

invites the UKIPO to reach the same conclusion and refuse the contested application.

Applicant's reply

19. The Applicant did not file evidence. In its brief submissions in reply to the bad faith ground it submitted as follows:

> "….the Opponent's Witness Statement appear[s] to be claiming that the Applicant, by attempting to register the plain word mark MUCHA, is somehow acting in bad faith. This is on the basis that the grant of any such Registration would grant the Applicant "exclusive" rights in the plain word mark MUCHA. However, this is not the case. It is clear under UK law that the ownership of the registration of a word mark which is also a name does not enable the owner of that trade mark to prevent other parties from legitimately using their "own name" (section 11(2) Trade Marks Act 1994). Additionally, the grant of a trade mark does not enable the owner of that trade mark to prevent third parties from using that trade mark in a descriptive sense. The claim that the grant of this trade mark would give the Applicant an "exclusive" right in the name is, therefore, entirely misplaced."

20. Further, it submits that the facts of the case relating to the registration of iMuCHA as relied upon by the Opponents are not on all fours with the decision in suit. The Applicant accepts that there are a number of ongoing proceedings between the parties in various jurisdictions and refers to a similar action filed by the Opponents before the EUIPO on the ground of bad faith, which was unsuccessful. A copy of the Cancellation Division decision dated 12 May 2023 was produced in support of its position.[4] It states that the EUIPO found that the Opponent had relied on "assumptions and suppositions" and asks me to come to the same conclusion. It submits that the Opponents have not properly substantiated their claim that the application was filed in bad faith.

Opponents' Submissions in lieu of hearing

21. Whilst the Opponents did not file evidence in reply, they filed submissions in lieu of hearing setting out some further background information as to the court proceedings which settled the estate of Alphonse Mucha, as between the surviving heirs. Ms

[4] Annex A of its submissions.

Plocková gave an explanation as to the intention and understanding of the parties in reaching the Agreement, namely that in so far as any trade marks registered before 2007 were concerned "the contracting parties agreed to tolerate them and not contest them."[5] In so far as any future registrations were concerned it is said that "newly registered trademarks [sic] represented by the sole word element 'Mucha' are not admissible according to the agreements, as the parties settled that the word element 'Mucha' is not reserved for the exclusive use of any of them."[6]

22. Further, it is said that in order to interpret Article III of the Agreement, account must be taken of the wording of Article 5.7 which states "This Agreement is not limited in time by the duration of the rights of any trademarks containing the element "Mucha" and is not limited territorially."[7] It is argued that "the parties expressed their will to respect the right of each of them (i.e. the non-exclusive right) to use the word "Mucha" regardless of the existence of any current or future trademarks of either party". The purpose of the whole inheritance agreement it is said was a permanent settlement of mutual relations in all areas arising in connection with the conclusion of the Mucha legacy. This recognition of the 'non-exclusive right' to the name 'MUCHA' was to "exclude the possibility to apply for the word trade mark consisting solely of the word".

My Assessment

23. There appears to be no dispute between the parties that John Mucha and Jamila Plocková are the heirs of Alphonse Mucha and following inheritance proceedings in the Czech Republic they agreed the settlement of Alphonse Mucha's intellectual property rights. The Agreement was entered into to "settle their mutual relations concerning the use of the "MUCHA" sign."[8] There appears to be no dispute either that the previous registrations that each owned prior to 2007 were to be 'tolerated' and not challenged by the other. Furthermore, there has been nothing raised by the Applicant to refute the suggestion that the Agreement is not limited in terms of territory or duration.[9]

[5] Article 3.1 and 3.2 of the Agreement.
[6] See paragraph 9 of submissions in lieu of hearing.
[7] Paragraph 11.
[8] See section headed Introductory Provisions clause 1.3.
[9] In so far as the Applicant has not argued that the Agreement does not apply in the UK.

24. The issue in dispute relates to the interpretation of the wording of the clauses within Article III of the Agreement headed “No Mutual Attacking and Legitimacy of Use”, particularly clause 3.3.

25. It is useful at this stage to reproduce the relevant sections of the Agreement:[10]

I.
Introductory Provisions

1.1. MT and MUCHA LIMITED having its registered office at 11 Winchester Place, North Street, Poole, Dorset, BH15 1 NX, Great Britain, reg. no. 02867295 (see below) are owners or applicants of national trademarks, international trademarks and Community trademarks (CTM) containing word element “Mucha” (hereinafter referred to as “Mucha trademarks”). MT declares that no other entity acting with its consent or knowledge, including persons associated with MT through persons or through property (e.g. the company or Mucha Foundation having its registered office at Hradčanské nám., Prague 1, Czech Republic), is an applicant or owner of trademarks containing word element “MUCHA”, with the exception of Japan where MUCHA LIMITED is the trademark owner or applicant. MT undertakes to ensure that the content of this agreement is also performed by MUCHA LIMITED (even though the applicable provision does not state it explicitly) in all provisions relating to MUCHA LIMITED trademarks and obligations related thereto.

1.2. JMP is one of heirs of the deceased Jiří Mucha (born on 12.3.1915; died on 5.4.1991). The subject matter of inheritance is, among other things, author economic rights to works of the deceased Jiří Mucha and to works of Alfons Mucha (*translator's note: Alfons Mucha known in English as Alphonse Mucha*) born on 24.7.1860; died on 14.7.1939. JMP is also an owner and applicant of some trademarks containing word element “MUCHA”. JMP uses the artist name Jarmila Mucha Plocková containing the family name “Mucha”.

1.3. In the context of closing the inheritance of the deceased Jiří Mucha, the parties enter into this agreement to settle their mutual relations concerning the use of the “MUCHA” sign.

II.
Use of Alfons Mucha Signature Protected by Mucha Trademarks

2.1. JMP recognises as legitimate any and all current and future uses of Alfons Mucha signature protected by Mucha trademarks by MT and authorised by it persons.

[10] ‘MT’ refers to the Applicant and ‘JMP’ refers to the first Opponent. The extract reproduced is taken from the marked copy as produced by Ms Plocková.

2.2. JMP recognises the validity and legitimacy of all registered and applied for Mucha trademarks of MT and MUCHA LIMITED that are represented by Alfons Mucha signature or that contain the surname Mucha.

2.3. JMP agrees that MT, at any time in the future, applies for and has Alfons Mucha signature (nowadays registered as Mucha trademark) registered as a new trademark also for other countries and for other goods and services.

2.4. JMP undertakes not to use or apply for Alfons Mucha signature protected by Mucha trademarks as a trademark, not even with any word or figurative additions whatsoever, and that neither her company MUCHA JP Praha, spol. s r.o. nor any persons associated with JMP through persons or through property will use or apply for it. JMP undertakes to withdraw any application for trademark that contains Alfons Mucha signature by 20.6.2007 at the latest.

2.5. JMP undertakes to surrender her trademark containing Alfons Mucha signature registered as a Greek national trademark no. 148712 by 30.6.2007 at the latest, whereby the trademark will cease to exist. Upon signing this agreement, JMP accepts from MT the reimbursement of related costs in the agreed amount of EUR 500.

III.
No Mutual Attacking and Legitimacy of Use

3.1. JMP undertakes not to attack, in any manner whatsoever, the assignees of a licence to use Mucha trademarks to which the licence was granted by MT or by MUCHA LIMITED. The list of these licensees is set out in Annex no. 1 which forms an integral part of this agreement. JMP undertakes not to demand any performance from these licensees and undertakes to ensure that no other person including the persons associated with her through persons or property will do so with her consent or knowledge.

3.2. MT undertakes not to attack, in any manner whatsoever, JMP or MUCHA JP Praha, spol. s r.o. or any persons acting with their consent if such persons demonstrate that such consent was given in relation to MT, nor to assert against them any financial or other claims in connection with the current use (including trademark applications and registrations) of signs containing word element "MUCHA" in any form whatsoever (word, graphical, including Alfons Mucha signature) as well as any other business or personal signs used by JMP and by her company MUCHA JP Praha, spol. s r.o. and by persons acting with their consent if such persons will demonstrate that such consent was given in relation to MT and MT declares that it regards such use as legitimate. MT undertakes that except the future use and/or registration of Alfons Mucha signature protected by Mucha trademarks (in respect of which JMP undertakes in accordance with the provision 2.4. hereof not to use it in the future) MT will not contest such use in the future and that such use in the future is legitimate. MT undertakes to ensure that no other person acting with its consent or knowledge will do so, including persons associated through persons or property (e.g. the licensees of MT or of the company MUCHA LIMITED having its registered office at 11 Winchester Place, North Street, Poole, Dorset, BH15 1 NX, Great Britain, reg. no. 02867295, or Mucha Foundation having its registered office at Hradčanské nám., Prague 1, Czech Republic).

3.3. It is expressly provided that both contracting parties and persons acting with both contracting parties' consent may use the word element "MUCHA" and that neither of the parties reserves it. For the avoidance of dispute and doubt, the parties declare that either party is authorised to grant licences to use its trademarks in the future and that the provision of Article 3.2. hereof shall apply to the licensees mutatis mutandis. The parties undertake not to grant exclusive licences.

V.
Common Provisions

5.1. MT and JMP undertake to close any and all administrative, judicial and other proceedings conducted by them against the trademarks containing word element "Mucha". To carry out this undertaking, MT and JMP, upon signing this agreement, hand over each other the withdrawal submissions in respect of which the proceedings are pending.

5.7. This agreement is not limited in terms of time by duration of rights to trademarks containing word element "MUCHA" and is not limited in terms of territory.

26. Put simply, the Opponents' bad faith ground centres on the interpretation of the word 'reserves' in clause 3.3 of the Agreement which Ms Plocková argues prevents either party being at liberty of applying for the exclusive right to the sole name MUCHA. It was her understanding of the terms of the Agreement that neither party had the right to exclusively register or apply for the word MUCHA solely, but rather they were able to retain all existing rights and apply for a mark which contained this word, but not exclusively the word. The Applicant refutes this, submitting that clause 3.3 extends only to the use of the mark, it makes no reference to 'registration' or 'application' and therefore there is nothing within the terms of the Agreement that prevents the Applicant from applying for the registration.

27. In determining whether the bad faith claim succeeds it is necessary for me to determine what were the parties' intentions at the time they entered into the Agreement. My remit is to determine whether there is anything within the terms of the Agreement which prevents the Applicant from applying for a registration and which, therefore, could be regarded as an act of bad faith.

28. Before considering the terms of the Agreement itself, I note that the document was originally drafted in Czech and was evidently made outside the UK by parties who are not UK nationals or companies. The Agreement itself does not specify which law applies to its interpretation, but it is unlikely that the parties intended it to be construed under the law of England and Wales. However, given that neither party has argued that the law of another country applies, or has explained how this might differ, I shall proceed to interpret the Agreement by reference to UK law.

29. In so far as the interpretation and construction of the Agreement is concerned, I take note of the decisions in *Wood v Capita Insurance Services*[11] and *Arnold v Britton*[12] which outlined the correct approach to be adopted. This approach was summarised by Lord Nuremberg as follows[13]:

[11] [2015] UKSC 36.
[12] [2015] AC 1619.
[13] *Arnold v Britton.*

> "15. When interpreting a written contract, the court is concerned to identify the intention of the parties by reference to "what a reasonable person having all the background knowledge which would have been available to the parties would have understood them to be using the language in the contract to mean", ..focussing on the meaning of relevant words,… in their documentary, factual and commercial context. That meaning has to be assessed in the light of (i) the natural and ordinary meaning of the clause, (ii) any other relevant provisions [of the lease], (iii) the overall purpose of the clause and the lease, (iv) the facts and circumstances known or assumed by the parties at the time that the document was executed, and (v) commercial common sense, but (vi) disregarding subjective evidence of any party's intentions." [14]

30. And in *Woods v Capita*, Lord Hodge stated in so far as contractual interpretation that:

> "10. The court's task is to ascertain the objective meaning of the language which the parties have chosen to express their agreement. It has long been accepted that this is not a literalist exercise focused solely on a parsing of the wording of the particular clause but that the court must consider the contract as a whole and, depending on the nature, formality and quality of drafting of the contract, give more or less weight to elements of the wider context in reaching its view as to that objective meaning.
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> 11. Interpretation is, as Lord Clarke stated in *Rainy Sky* (para 21), a unitary exercise; where there are rival meanings, the court can give weight to the implications of rival constructions by reaching a view as to which construction is more consistent with business common sense. But, in striking a balance between the indications given by the language and the implications of the competing constructions the court must consider the quality of drafting of the clause …. and it must also be alive to the possibility that one side may have agreed to something which with hindsight did not serve his interest: *Arnold* (paras 20 and 77). Similarly, the court must not lose sight of the

[14] *Arnold v Britton*.

possibility that a provision may be a negotiated compromise or that the negotiators were not able to agree more precise terms.

12. This unitary exercise involves an iterative process by which each suggested interpretation is checked against the provisions of the contract and its commercial consequences are investigated: *Arnold* para 77 citing *In re Sigma Finance Corp.*[15] To my mind once one has read the language in dispute and the relevant parts of the contract that provide its context, it does not matter whether the more detailed analysis commences with the factual background and the implications of rival constructions or a close examination of the relevant language in the contract, so long as the court balances the indications given by each."

31. It is clear from these authorities that any interpretation applied to contracts, must identify the intention of the parties by reference to the construction of the agreement, which is something to be determined from the terms and the language of the agreement itself, taken in the context of the relevant background, at the time the contract was entered into, rather than any subsequent events and statements. It does not appear, therefore, that future events can be relied upon to construe the meaning of the agreement.

32. The Agreement itself was concerned with the resolution of intellectual property rights in the name and signature MUCHA to which the parties were entitled. The interpretation of the particular clauses, therefore, cannot be read in isolation or independently of each other. I shall consider the relevant clauses in turn.

33. I note that clause 2 relates to the current and future use by the Applicant of the Alphonse Mucha signature as a trade mark. Clause 2.2 specifically, sets out that Ms Plocková recognises the validity and legitimacy of "all registered and applied for Mucha trademarks of MT [Mucha Trust] and MUCHA LIMITED that are represented by the Alphonse Mucha signature or that contain the surname MUCHA" (my emphasis). Clause 2.3 relates to the recognition of any future applications for registration of the Alphonse Mucha signature trade mark in other countries and for other goods and services.

[15] [2010] 1 All ER 571 para 10 per Lord Mance.

34. These clauses, therefore, clearly anticipated the acceptance of the application and registration of the Alphonse Mucha signature as a trade mark, not only those that were in existence at the time of the Agreement but also future applications/registrations. There does not appear to be any dispute in relation to this.

35. Moving on to Clause 3, Clause 3.2 sets out that the Applicant shall not attack the Opponents "nor assert against them any financial or other claims in connection with the current use (including trademark applications and registrations) of signs containing word element "MUCHA" in any form whatsoever…." (my emphasis). This clause has in mind the current use of the word MUCHA as a trade mark in any form and it specifically refers to applications and registrations. Again, there does not seem to be any dispute in relation to this clause as between the parties.

36. It is the interpretation of the wording of clause 3.3 which appears to be the area of dispute between the parties, which relates to the licensing and use of the "MUCHA" trade marks. Whereas clause 2 and clause 3.2 specifically includes the terminology 'application' and 'registration', clause 3.3 is silent in this regard and merely uses the term "reserves".

37. The use of straightforward language in clauses 2.1-2.5 makes it clear that only the Mucha Trust is entitled to register and use the Mucha signature mark. Within this section the language is clear and unequivocal, specifically referring to the registration of the Mucha signature as a trade mark and any future applications. This is in contrast to the language used in clause 3.3 which uses the equivalent of the English word 'reserves' to describe what the parties to the Agreement cannot do with the word MUCHA. The meaning of the word 'reserves' in English is rather vague in this context. Given that the document is a translation from the Czech language, it may have a more precise meaning in the original language, but nothing has been presented before me (other than a translated copy of sections of the Agreement itself) to argue such a claim. I can only assess the matter, therefore, on what is before me.

38. What is clear to me, is that the word 'reserves' is not the words 'apply for' and 'register' which have been used specifically in the preceding clauses at 3.2 and 2.1-2.5. On this basis, therefore, it appears that the meaning attributed to the word 'reserves' must be given a different interpretation to the words 'registration' and 'application'. I consider in the context of the remainder of the paragraph it is more likely

to be read as *no party shall have the exclusive right to the word MUCHA as against the other party* rather than the interpretation advanced by Ms Plocková.

39. What is clear from clause 3.3 is that the intention was for the parties to be able to continue to use and license the existing marks held in their respective names prior to the date of the Agreement which included any applied for marks at that time. However, these existing marks are not identified explicitly in the Agreement itself and therefore it is impossible to conclude with any certainty what type of mark was intended to be protected. If, for example, the reference to the existing marks only related to MUCHA solus marks, then it would have been more arguable that the Agreement and particularly clause 3.3 could be interpreted in the way suggested.

40. The claim to bad faith rests solely on the interpretation of the Agreement, particularly the interpretation of clause 3.3. The only evidence I have, to determine the matter, is the Agreement itself and it is silent as regards any future applications to register MUCHA solus. Without more backgrounds facts I am unable to conclude that this was the parties' intention at the time of entering into the Agreement. What is clear is that the parties intended for either to be entitled to use the word MUCHA and to not prevent either of them from being able to assert any rights they hold under the name 'MUCHA' against third parties.

41. I bear in mind that when considering terms of an Agreement I must not lose sight of the possibility that a provision may be a negotiated compromise or that the negotiators were not able to agree more precise terms.[16] However, notwithstanding this, from the language used it cannot be inferred that the word 'reserves' should be afforded a broader meaning so that it includes 'registration and application' and that this was what the parties intended. Had such an intention been contemplated, then the Agreement would, in my view, have been drafted more explicitly, where the terms 'apply for' and 'registered' would have been used, as had been done with the preceding clauses in relation to the MUCHA signature mark.

42. Without any further evidence and given that the terminology is ambiguous as regards future applications to register MUCHA alone, I am not in a position to find that

[16] *Lukoil Asia Pacific Ltd v Ocean Tankers* (Pte) Ltd (*The "Ocean Neptune")* [2018] EWHC 163 (Comm) As reproduced in Chitty On Contracts.

the Agreement explicitly prevents the Applicant from applying to register the trade mark MUCHA.

43. Even if I am wrong in my interpretation of the word ‘reserves’ and it could be construed as meaning ‘to register/apply for’, this does not assist the Opponents because it is possible for a breach of contract to have occurred without it amounting to bad faith, particularly where terms are ambiguous. The offending party may act in good faith whilst still breaching the terms of an Agreement. The recourse for an aggrieved party in such circumstances, would be to apply to the relevant court for an order to enforce the Agreement by, for example, requesting that the offending party surrenders the mark.

44. It is clear that the parties are and have been embroiled in a number of disputes across several jurisdictions, however, I remind myself that an allegation of bad faith must be distinctly proved. Notwithstanding, that the Applicant has not filed evidence, it is also clear from the caselaw that the burden of proving bad faith lies with the Opponents. The Applicant is not required to provide a positive case of good faith, unless and until the Opponents have presented evidence from which a rebuttable presumption of good faith can be drawn. Based on the evidence that has been placed before me, I find that the meaning of the word ‘reserves’ is too vague and imprecise for me to conclude that it includes the meaning ‘to apply for’ and ‘registration’. Further, the Opponents have not demonstrated that the Applicant’s intention in applying for the mark was anything other than a legitimate desire to protect the word MUCHA against third parties, even though by virtue of the terms of the Agreement any legal right acquired could not be enforced against the Opponents. For these reasons, the Opponents have not discharged the burden of showing that the Applicant was acting in bad faith when it applied for the mark MUCHA.

Conclusion

45. The Opponents’ claim under section 3(6) of the Act fails.

46. I shall now move on and consider the other grounds of opposition relied upon, under section 5(2)(b) and 5(3).

Proof of use

47. The earlier mark upon which the Opponents rely for the purposes of their grounds of opposition under section 5(2)(b) and 5(3) is subject to proof of use.

48. Section 6A of the Act is relevant to the proof of use in the opposition, which states as follows:

> "(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.”

49. Given that 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."

50. Section 100 of the Act is also relevant. It states that:

"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."

Relevant period

51. The relevant period for assessing whether there has been genuine use of the earlier mark is the five year period ending with the filing date of the application in issue, which is taken from the original EU filing date. The period in question is therefore 2 October 2015 to 1 October 2020. As the earlier mark became a comparable mark as at the end of the implementation period on 31 December 2020, any evidence of use will rely on the evidence of use of the corresponding EUTM in the EU, as the whole period falls prior to this implementation date.

52. There appears to be no issue in relation to the form of the mark demonstrated by the Ms Plocková in her evidence, as this appears to be the form of the mark as registered. The issue appears to be the sufficiency of the evidence and whether this is shown to extend to all the goods relied upon.

53. Ms Plocková is an artist, designer and jeweller. She describes her relationship with MUCHA JP Praha, spol. sr.o. **(**the joint Opponent) as an entity which she founded in 1993 and which she 100% owns. She has authority to speak for both Opponents. She produces background information as to the history of the MUCHA family and heritage, to include details of her grandfather's legacy.

54. Ms Plocková states that she uses the earlier mark for a variety of goods and services. She produces photographs of examples of the range of goods sold bearing the mark.[17] She lists these goods as:[18]

- A jardinière and cup sold in 2019.

[17] See exhibit JMP3.
[18] Paragraph 10.

- Jewellery items made in 2020.
- Vase made in 2012.
- Scarves, along with invoices dated 2005 and 2006 issued by its Czech manufacturing company. She confirms that the reference to 'Satk' in the invoices means scarf in Czech. No indication is given as to the quantities involved and these figures are not easily identifiable from the invoices as the scarves appear to be referred to by weight and meterage. I note that the cost charged was '11664,00 Czk koruna' and '67622,00 czk' which I believe would evaluate to almost £40,000 (taking an exchange rate of 1Czk to £0.03).
- A set of ceramic Christmas decorations dated 2018.
- A 'Noel Collection' catalogue dated 2016 containing examples of Christmas decorations produced under and bearing the earlier mark.
- A textile fan commissioned by the Mandarin Oriental Hotel in Prague. The image of the fan is however attributed to Ms Plocková herself with no reference to the earlier trade mark. The fan appears to be a one off commissioned piece but no details are provided as to the cost paid by the hotel.

55. Approximate sales revenue figures (reproduced below) are produced, showing EU sales of the Opponents' goods under the earlier mark.[19]

Year	**Approximate sales (CZK/ €)**
2015	Czk 3.24 million / €130,000
2016	Czk 2.36 million / €95,000
2017	Czk 2.32 million / €93,000
2018	Czk 1.76 million / €70,500
2019	Czk 1.98 million / €79,200
2020	Czk 867,000 / €34,700

56. A selection of invoices (twenty five in total dated between January 2013 and 20 October 2020) are produced, showing sales of various goods, the country sent and the amount paid.[20] Ms Plocková states that these show customers in the EU and UK. Whilst the invoices are in Czech a translation of the goods sold are produced. The

[19] Paragraph 12.
[20] See exhibit JMP5.

invoices demonstrate the sale of the following goods – 21 scarves, 12 sets of earrings, 5 brooches, 2 ‘curtains’, 4 necklaces, 9 vases (glass and porcelain), 1 bowl, 7 rings, 2 ornaments and 2 bracelets. The addresses on the invoices include London, Suffolk, Hampshire, and a number of addresses in the Czech Republic to include Prague. The price paid for a scarf is shown to be Czk 1,300 (approximately £45) and the items of jewellery range in price from Czk 1,000 to Czk 7,000 (approximately £30 - £200).

57. It is said that the Opponents spent “approximately Czk 100,000 on marketing its activities in the UK and EU” which was mostly spent on “websites, press coverage and advertisements”.

58. The Opponents own the domain name associated with the website www.muchaplockova.com which they have owned since 2010.[21] The website is said to have been used since 2010 to promote and sell the goods under the mark.[22] A selection of screenshots are produced from the website dated 4 June 2011, 15 February 2013, 10 April 2013, 6 October 2015, 20 December 2017 and 22 October 2019, retrieved using the archive tool the Wayback machine. These screenshots show images of a range of ‘jewels and other objects d'art manufactured from silver and gold’ being offered for sale. These items include brooches, necklaces, rings, vases in glass and porcelain, bowls in glass and silver, spoons, letter knife, scarves and bracelets. An example of one such screenshot is reproduced below:

[21] See Exhibit JMP6.
[22] See Exhibit JMP4.

59. It is said that the Opponents feature regularly in the UK and EU and a selection of articles dated from 2003 featuring the Opponents are produced.[23] Only two are dated within the relevant period namely:

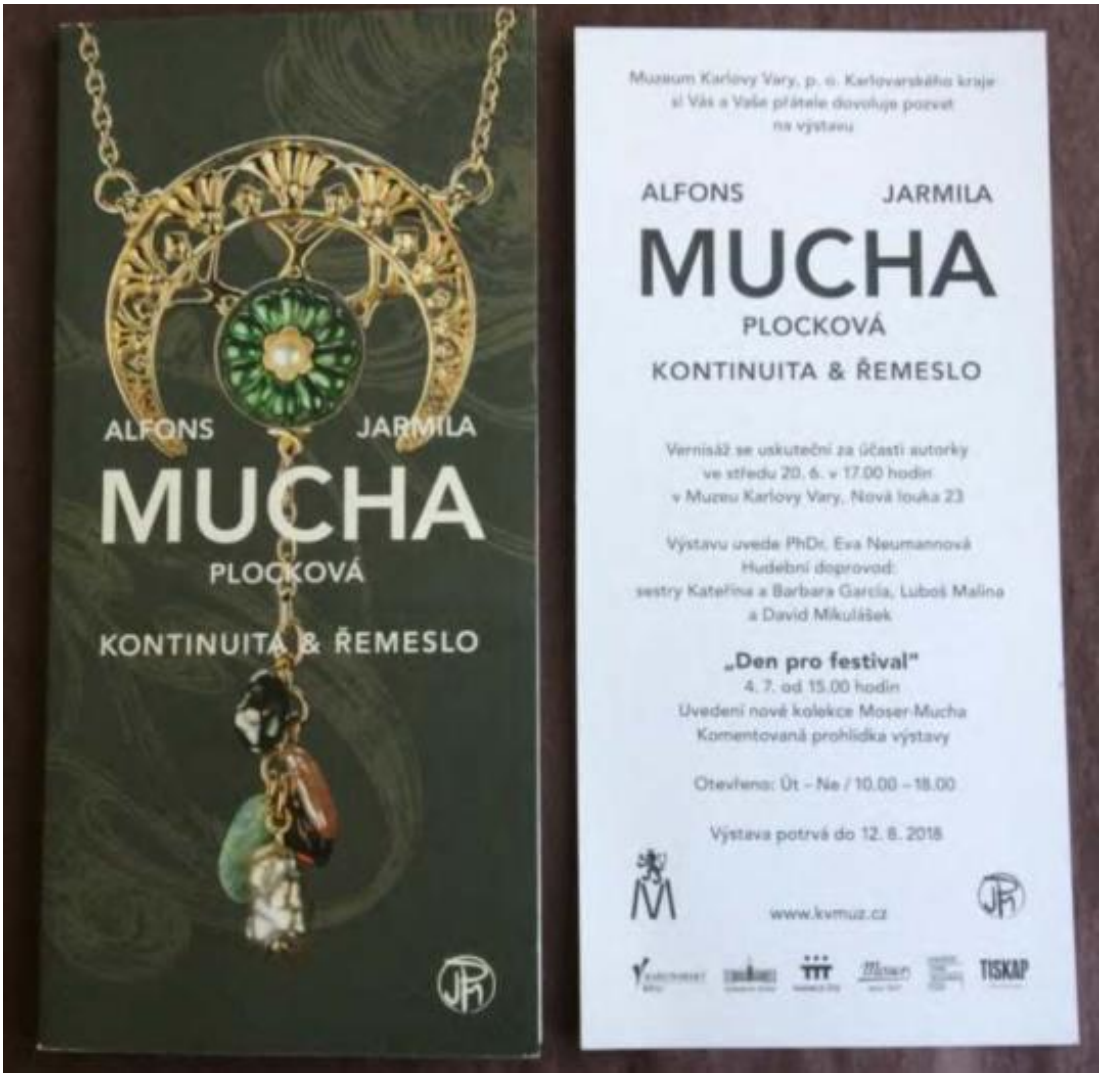
- An article published in the Czech magazine Xantypa in 2015 mentioning the Opponent's atelier MUCHA JP PRAHA.
- An undated article called "Jamila Plocková Muchova: Queen of Art Nouveau" which includes a number of photographs of goods, however the earlier mark is not visible.

60. It is said that the Opponents' goods bearing the mark have featured in various advertisements over the years, with these promoting the Opponents goods, website and gallery. An example of one such advertisement is produced, published in the

[23] See Exhibit JMP7.

‘Tourist Bulletin Prague’ featuring the Opponents’ gallery, however, it is dated 2014 outside the relevant period.[24]

61. The Opponents are said to have prepared for and hosted various exhibitions and museum events to promote their activities and goods sold under the mark. Ms Plocková provides details of one such event which took place in 2018 in the Karlovy Vary museum, Czech Republic. Photographs of the “various materials relating to the exhibition” are produced.[25] These include:



[24] See Exhibit JMP8.
[25] See Exhibit JMP9.

62. Ms Plocková states that she has received grants for the purposes of exhibiting the goods. She produces a letter dated 2008 (outside the relevant period) from the Counsellor for Press and Cultural Affairs of the Embassy of the Netherlands in Prague, which is said to show a grant of CZK 10,000 to the Opponents for exhibiting jewellery at the Cornenius Museum in the Netherlands.

63. In 2015 the Opponents were asked to contribute to a presentation on Czech culture with the Municipality of Prague. A photograph is produced of the contract relating to this event.[26] The contract itself appears to be dated 15 June 2015 but the remainder of the document is illegible as it is written in Czech, with no translation having been provided. No reference to the mark or the goods to which it relates is shown.

64. The Opponents are said to have issued invitations to any event they organised which showed the mark and the goods. A copy of one such invitation is produced dated 2009 (the other is undated) for the opening of an exhibition in Prague.[27] The images of the invitations produced do not show the earlier mark only a reference to Ms Plocková's name. No translation of the text is provided either.

[26] See exhibit JMP11.
[27] See exhibit JMP12.

65. Ms Plocková produces a copy of an ‘art loan agreement’ between the Opponents and the Commissioners of Public Works in Ireland. The document is dated 20 May 2015 and covers the period of the loan from May to September 2015 (outside the relevant period). The agreement relates to the temporary loan of six pieces (4 items of jewellery, a glass and silver plated bowl and a letter opener) for an exhibition being held in Dublin. The contract makes no reference to the earlier mark.

Assessment of the evidence

66. The Applicant criticises the evidence as not showing use within the relevant period or for the full extent of the goods relied upon or at all. Whilst I accept that there are difficulties with the evidence, I remind myself that I must consider the evidence as a whole and not whether each individual piece of evidence shows use by itself. Furthermore, the assessment is whether the Opponents have made a genuine attempt to create or preserve a market for its goods throughout the relevant period.

67. Despite the difficulties with the evidence, with a number of documents dated outside the relevant period, there are still a good number dated within the period. I note that the screenshots within the relevant period taken from the Opponents’ website display a range of jewellery and objects d’art being offered for sale. A selection of representative invoices of actual sales taking place dated within the relevant period are also produced. Turnover figures have also been provided each year from 2015 to 2020 and whilst not broken down by category of good, Ms Plocková confirms that they relate to the range of goods shown in evidence and as displayed on the Opponents’ website. I appreciate that the market share for ordinary mass produced items such as jewellery and ornaments would be considerable. However, I regard the nature of the goods as not being everyday consumer goods but rather bespoke pieces of object d’art which are attached to the MUCHA legacy. Although the volume of sales was not significant there is a sufficient sales volume showing that goods under the mark have been marketed across both the Czech Republic and the UK. I bear in mind that the earlier mark is shown either on the items themselves or on the boxes in which the items are displayed/packaged. The mark is also displayed on the Opponents’ website and material relating to events/exhibitions held by the Opponents. Whilst not extensive, the use shown is sufficiently longstanding and geographically widespread to offset the low volumes shown. Therefore, whilst the evidence is not without its

difficulties the use shown, taken together, is sufficient to cross the genuine use threshold.

68. In respect of a fair specification the evidence only shows use for scarves, porcelain/ceramic decorations, bowls, jewellery to include necklaces, earrings, brooches and rings, vases made of glass and porcelain and object d'art silver wear to include decorative spoons and letter openers.

69. I am not satisfied that the Opponent has shown sufficient use for the broad term *textiles* as only two references to curtains are made within the invoices and no other reference to these goods are shown in evidence to show that real commercial exploitation of the mark has been made for these goods. Furthermore, there is only one reference to a 'textile fan' but that reference has no indication as to the date it was commissioned or any reference that it was sold under the mark. There does not appear to be any other good shown in evidence that would come within the category of the term 'textiles'. The Opponents have not sufficiently shown genuine use for such goods.

70. Having consider the nature of the goods shown to have been used, I consider a fair specification to be:

> Class 14: precious metals and their alloys and goods in precious metals or coated therewith; jewellery, imitation jewellery, costume jewellery; works of art of precious metals.
>
> Class 21: Goods made of porcelain, glass and ceramic to include glass bowls, vases and porcelain decorations; works of applied art namely spoons and letter openers made of metal.
>
> Class 25: scarves.

71. The Opponent may rely on these goods for the purposes of its opposition under section 5(2)(b) and 5(3).

Section 5(2)(b)

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

> "5(2) A trade mark shall not be registered if because-
>
> (a) ….

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

73. Section 5A of the Act reads 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."

Case law

74. 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 C342/97, Marca Mode CV v Adidas AG & Adidas Benelux BV, Case C-425/98, Matratzen Concord GmbH v OHIM, Case C-3/03, Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH, Case C-120/04, Shaker di L. Laudato & C. Sas v OHIM, Case C-334/05P and Bimbo SA v OHIM, Case C-591/12P*.

The principles

(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 the goods and services

75. When conducting a goods/services comparison, all relevant factors should be considered as per the judgment of the Court of Justice of the European Union ("CJEU") in *Canon Kabushiki Kaisha v Metro Goldwyn Mayer Inc* Case C-39/97, where the court stated at paragraph 23 of its judgment 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".

76. I am also guided by the relevant factors for assessing similarity identified by Jacob J in *Treat*, [1996] R.P.C. 281 namely:

(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.

77. In *Gérard Meric v Office for Harmonisation in the Internal Market ("OHIM"),* 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 Applicant relies on those goods as listed in paragraph where the goods designated by the trade mark application are included in a more general category designated by the earlier mark."

78. Furthermore, terms used in specifications of goods/services should not be interpreted widely but confined to the core of the possible meanings attributable to the terms.[28]

79. The Applicant submits that it has limited its specification to the extent that there is no degree of similarity between its remaining goods and services and those of the Opponents. Given the extent and breadth of the Applicant's specifications and despite the Opponents opposing all of the applied for goods and services, they have not provided any submissions on the extent of similarity claimed, other than a broad statement that they are similar.

80. In so far as the majority of the specifications I agree with the Applicant that other than on a high level of generality (in so far as an overlap in user and trade channels) there is no obvious similarity with any of the Applicant's goods/services in classes 3, 9, 16, 18, 20, 27, 28, 30, 32, 33, 34, 35, 41 and 42 and the Opponents' goods for which I found proof of use, other than for goods and services outlined below. They differ in nature, purpose, trade channels, user, provider, are neither in competition nor complementary.

81. I shall now assess the following applied for goods and services:

Christmas decorations; Christmas tree ornaments and decorations; festive decorations (in class 28) and *mail order retail services, including those online (online shopping) in the field of …..decorations for Christmas trees* (in class 35).

82. Ms Cameron argued that the Opponents did not have Christmas decorations (which are particular to class 28) as terms within their specification and therefore there was no similarity between the respective parties' goods. She argued that the Opponents could not rely on those goods in class 21 even if I found use had been shown. In so far as goods being in different class headings, the Nice classification guide is an administrative instrument for the general classification of goods and services. A reference to the class headings should only become necessary in order to interpret the scope of the terms, in the case of an ambiguity.[29] Admittedly, the Opponents do not have any goods registered in class 28, but I found that it had shown use for goods made of porcelain, glass and ceramic and porcelain decorations and, in

[28] *Sky v Skykick* [2020] EWHC 990 (Ch) as per Arnold J.
[29] *Altecnic Ltd's Trade Mark Application* [2002] RPC 34 (COA)

my view, these goods would include decorations and ornaments made of these materials. Many artisan Christmas decorations are made from glass or porcelain and on this basis despite being under different class headings I find that the Applicant's *Christmas decorations; Christmas tree ornaments and decorations; festive decorations* in class 28 would be highly similar to the Opponents' *goods made of porcelain, glass and ceramic to include glass bowls, vases and porcelain decorations* in class 21. They overlap in nature, purpose, producer, user and trade channels. Similarly, the retail and mail order services of those goods would be similar to a medium degree to the Opponent's goods, given the close relationship between the retail of the goods and the goods themselves.

Decorative articles made of bronze, pewter, non-precious and common metal; artistic objects of bronze, pewter, non-precious and common metal (in class 6) and *mail order retail services, including those online (online shopping) in the field of common metals and their alloys, cutlery, knives and spoons […]*(in class 35).

83. In so far as these goods, I consider that they are similar to a medium degree to the Opponents' *precious metals and their alloys and goods in precious metals or coated therewith; jewellery, works of art of precious metals……, imitation jewellery and costume jewellery* in class 14 and *works of applied art namely spoons and letter openers made of metal* in class 21. Those artistic objects/works of art/decorative articles and jewellery goods in each party's specification would be made from a range of precious and non-precious metals overlapping in user, channels of trade, nature and purpose. Likewise, the retail and mail order services of these goods would share a degree of similarity with the goods themselves. Therefore, the Opponents' aforementioned goods in class 14 and 21 would be similar to a low degree to the Applicant's class 35 services namely *mail order retail services, including those online (online shopping) in the field of common metals and their alloys, cutlery, knives...and spoons […].*

Household or kitchen utensils and containers (neither of precious metals, nor coated therewith) in class 21

84. Whilst both parties have applied for and hold a registration for a range of goods in class 21 the Applicant's specification are more akin to day to day household and kitchen ware, as opposed to the Opponents' class 21 goods which are decorative

object d'art goods for display purposes and not for daily use. The overall purpose of considering similarity between goods is to identify similarities which might be relevant to the likelihood of confusion, the greater the level of generality at which some similarity can be found the less relevant it could be.[30] Therefore, whilst the respective goods may be made from the same materials being made of glass, porcelain or ceramics there is no obvious similarity between the goods. I find that they are dissimilar.

Testing, authentication, verification and quality control of … jewellery, …cutlery, ….works of art and works of decorative art in class 42

85. These services would be closely aligned to the goods to which the services relate as any producer selling items of object d'art or works of decorative art would wish their authenticity, quality and origin to be verified. On this basis I consider that these services are similar to a low degree the Opponents' *jewellery, imitation jewellery, costume jewellery; works of art of precious metals* in class 14 and their *works of applied art namely spoons and letter openers made of metal* in class 21. They overlap in end user and channels of trade. As the services are also important for the sale of the goods and could be provided by related undertakings, the respective goods and services are also complementary.

The average consumer and the nature of the purchasing process

86. As the case law indicates part of the global factors to be taken into account is an assessment as to whom the goods/services are directed and the manner in which they are likely to be selected. The average consumer is deemed reasonably well informed and reasonably observant and circumspect. For the purposes of assessing the likelihood of confusion the average consumer's level of attention is likely to vary according to the category of goods and services in question.[31]

87. 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 was then) 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

[30] Iain Purvis KC *Unicorn Studio Inc v Veronese (Société par Actions Simplifiée)* [2024] EWHC 1098 (Ch).
[31] *Lloyd Schuhfabrik Meyer*, case C-342/97.

informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

88. Neither party addressed the relevant public of the goods/services at issue in their respective pleadings or submissions. When pressed at the hearing Ms Cameron submitted that "the average consumer is going to be extremely careful about going to buy watches and similar items so that they are more likely to pick up on any small differences between the marks". However, since the Applicant no longer seeks registration for any horological goods in class 9 these submissions are not relevant.

89. I consider that the respective goods/services are those directed at the general member of the public and artists or those that run museums or galleries. Despite the goods being bespoke items of object d'art, they are not specified as being ones of a particularly high value, with many of the goods being akin to merchandise or memento/souvenir type goods. The services relate, on the whole, to the retail of the goods thereof or the valuation/authentication of the goods. Whilst the goods vary in price and some will involve precious metals or be regarded as pieces of art with individual prices, the way that the specifications are framed, the goods are not day to day consumable items nor particularly infrequent purchases. The selection process itself will be from shelves of retail outlets, catalogues or their online equivalents such as websites. I consider, therefore, that visual considerations will dominate although I would not discount aural considerations where goods may be purchased following requests made to retail staff or enquiries over the telephone. Considerations such as price, and aesthetic qualities will therefore play a part in the purchasing process. Taking the nature of the goods and services in question and all of these factors into account, I consider that no more than an average level of attention will be undertaken in the selection process for both classes of consumer, no higher or lower than the norm.

Comparison of the trade marks

90. 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 the marks, bearing in mind their distinctive and dominant components. The Court of Justice in the European Union ("CJEU") stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

> ".....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

91. It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to consider 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 trade marks.

92. The respective trade marks are as follows:

Contested mark	Earlier mark
MUCHA	

The Overall Impression

93. The contested mark is for the word only mark MUCHA presented in black capital letters. The overall impression of the contested mark resides in the totality of the word.

94. The earlier mark consists of the stylised letters JPM contained within a circle presented above the word MUCHA in capital letters. The overall impression resides in these two elements in combination although weighted in favour of the word MUCHA, since letters are not regarded as greatly distinctive.

Visual Comparison

95. The marks coincide with the word MUCHA. They differ to the extent that the earlier mark includes a circular device comprising of the letters JPM there being no counterpart in the contested mark. The marks are visually similar to between a medium and high degree.

Aural Comparison

96. Aurally the element MUCHA in each mark will be pronounced identically. Given that the letters JPM will be seen as a series of arbitrary letters or as part of a device, they may not be articulated, in which case the marks will be aurally identical. Otherwise, if the letters are articulated, the aural similarity between the marks will be reduced to a medium degree.

Conceptual Comparison

97. For those consumers who know of the artist Alphonse MUCHA then the element MUCHA will be perceived as the surname of the artist. The letters JPM will be seen as an arbitrary series of letters which gives rise to a conceptual difference between the two respective marks but not particularly distinctive ones. Therefore, to the extent that a name gives rise to any concept, overall, the marks will be highly similar. If the word MUCHA is not associated with the artist and is perceived as an invented word or a word of foreign origin with no meaning, given that the letters will not give rise to any meaning either, then no conceptual comparison is possible and the marks will be conceptually neutral.

Distinctive character

98. The case of *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV,* Case C-342/97 sets out the legal position to determine the distinctive character of a mark. In this case 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)."

99. Registered trade marks possess varying degrees of inherent distinctive character, some being suggestive or allusive of a characteristic of the goods and services on offer, to those with high inherent distinctive character such as invented words which have no allusive qualities. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; the more distinctive the earlier mark the greater the likelihood of confusion.

100. Whilst the Opponents filed evidence which was sufficient to satisfy the threshold for genuine use, in so far as enhanced distinctive character they have not satisfied the requirement that the earlier mark is known to a significant number of the UK public. The evidence falls considerably short of being able to demonstrate an enhanced degree of distinctive character. I shall proceed, therefore, on the basis of inherent characteristics only.

101. If the element MUCHA is perceived as a name, it will be associated with the artist. Names are not particularly distinctive; however, it is a question of degree as to how commonly used and well known the name is in the UK. The name MUCHA is not a common name in the UK, nor for that matter do I consider that the artist Alphonse MUCHA is particularly well known here either. If the word MUCHA is seen as an invented word, then it will enjoy the highest level of inherent distinctive character. The circular device consisting of the letters, contributes to the distinctiveness of the earlier

mark but not considerably so. In either scenario the earlier mark has no connection to the goods and therefore the inherent distinctive character of the mark, as a whole, will possess inherent distinctive character to an above average degree (if a name) or a high degree (if invented).

Likelihood of confusion

102. In determining whether there is a likelihood of confusion between the marks I must consider whether there is direct or indirect confusion. Direct confusion is where one mark is mistaken for the other or is imperfectly recalled, whereas indirect confusion is where the average consumer recognises that the marks are not the same but, nevertheless, due to the similarities between them, this leads consumers to believe that the respective goods or services originate from the same or related source.

103. There are a number of factors in the global assessment to bear 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 or services and vice versa. It is necessary for me to keep in mind the distinctive character of the Opponent's trade mark, the average consumer for the goods/services and the nature of the purchasing process. In doing so, I must consider that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

104. The difference between direct and indirect confusion was explained by Mr Iain Purvis Q.C., (as he was then) as the Appointed Person, in *L.A. Sugar Limited v Back Beat Inc.*, as follows:[32]

> "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

[32] BL O/375/10

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)."

105. I bear in mind that the examples as set out by Mr Purvis in *L.A.Sugar* (above) are not exhaustive and that they are only intended to be illustrative of the general approach.[33] Furthermore, in *Liverpool Gin,* Arnold L.J. pointed 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. A finding of indirect confusion should not be

[33] *Liverpool Gin Distillery Limited v Sazerac brands LLC* [2021] EWCA Civ 1207

made merely because two marks share a common element; it is not enough that one mark merely calls to mind another, this is mere association, not indirect confusion.[34]

106. Taking the position most favourable to the Applicant I remind myself that I found that the marks, overall, were visually similar to between a medium to high degree, aurally similar to a medium degree and conceptually neutral. I found the goods and services to be selected predominantly via a visual purchase, with consumers undertaking an average degree of attention. The earlier mark as a whole was inherently distinctive to an above average degree if seen as a name and highly inherently distinctive if seen as invented.

107. I found only a small selection of goods/services to be similar, ranging from a low to a high degree of similarity. In so far as those goods and services where I found no similarity then the opposition under section 5(2)(b) fails in so far as those goods/services are concerned, since there is a requirement of similarity in order to succeed under this ground.

108. Factoring in the interdependency principle and imperfect recollection, where I found the goods/services to be similar, even to a low degree, I consider that the marks will be confused one for the other. This is either because they will be imperfectly recalled or because they will be regarded as originating from the same or related undertaking. Such is the distinctive character in the common word MUCHA that either when it is perceived as an invented word or known to be related to the artist, a connection will be made between the respective marks such that consumers will believe that they are the one and the same or related undertaking responsible for the goods. The letters JPM within the circular device is insufficient an element to distinguish between the marks. There will in my view be a likelihood of either direct or indirect confusion. Consequently, the section 5(2)(b) ground succeeds for the list of goods and services set out below, namely:

> Class 6: Decorative articles made of bronze, pewter, non-precious and common metal; artistic objects of bronze, pewter, non-precious and common metal.
>
> Class 28: Christmas decorations; Christmas tree ornaments and decorations; festive decorations.

[34] *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17

Class 35: Mail order retail services, including those online (online shopping) in the field of decorations for Christmas trees; mail order retail services, including those online (online shopping) in the field of common metals and their alloys, cutlery, knives and spoons.

Class 42: Testing, authentication, verification and quality control of … jewellery, …cutlery, works of art and works of decorative art.

Section 5(3)

109. Moving onto the second ground of opposition, section 5(3) of the Act states:

"5(3). A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (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 the repute of the earlier trade mark.

(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."

110. 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."

111. The relevant case law can be found in the following judgements of CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel,* Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora*. 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 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) 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.

(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 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'Oreal v Bellure*).

112. The conditions of section 5(3) are cumulative. The Opponents must show similarity between the respective marks; that the earlier mark has achieved a level of knowledge/reputation amongst a significant part of the public and that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier marks being brought to mind by the later mark. Assuming that the first three conditions have been met, section 5(3) requires that one or more of the types of damage claimed by the Opponents will be suffered. It is unnecessary for the purposes of section 5(3) for the goods/services to 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 them. For the purposes of section 5(3) the relevant date for the assessment is 1 October 2020 (the EU filing date).

Similarity of the marks

113. In light of my earlier findings this first criteria is satisfied. The marks are similar overall.

Reputation

114. In *General Motors*, Case C-375/97, the CJEU held that:

> "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."

115. The goods upon which the Opponents may rely for the purposes of claiming a reputation are only those that I found that it had shown genuine use, namely those goods as outlined at paragraph 70.

116. I have summarised the Opponent's evidence in relation to use. It is clear that the Opponents have used the mark particularly in Prague in the Czech Republic and some use has been shown in the UK. Although Ms Plocková states that the use extends across the EU, Netherlands and Ireland, the evidence in this regard is very limited. Whilst the evidence was sufficient for the purposes of proof of use, the same cannot be said in relation to its claim to a reputation. Whilst there is some reputation shown in the MUCHA name, this is extensively in relation to the artist Alphonse Mucha and his legacy and not in the earlier trade mark. The turnover figures are not extensive and the category goods to which the sales relate is very limited. No evidence is produced as to the number of visitors who had visited the museum or attended the exhibitions/events organised by the Opponents in any given period or leading up to

the relevant date. Furthermore, no indication is given as to the number of visitors that accessed their website. The advertising material and articles are of some age and are limited in number. These documents give no indication as to the extent of the reputation held in the earlier mark. Whilst the evidence has just about crossed the threshold for establishing proof of use in a limited range of goods, it is not sufficient to cross the hurdle of demonstrating a reputation. The volume of sales and the evidence filed is not of a sufficient quality or quantity to show that a significant number of average consumers would recognise the earlier mark.

117. Whilst there may be a qualifying reputation held in the family name MUCHA originating from Alphonse MUCHA for those in the art world or those that have an interest in art, I do not consider that this extends to the earlier mark owned by the Opponents. The Opponents have not shown that they hold a qualifying reputation and therefore the section 5(3) ground falls at the first hurdle.

118. Even if I am wrong, any reputation that exists in the earlier mark is in my view limited to the Czech area. Accepting that a reputation does not need to have been shown in every member state or throughout the whole of the EU and a reputation in a single state may be sufficient to constitute the required reputation,[35] however, in order to satisfy the threshold, the evidence of a reputation in the Czech Republic has to be of a sufficient degree. Moreover, even if I were to have found that the Opponents had a qualifying reputation, it will still be more difficult for a mark which holds a reputation in a country outside the UK to show a link will be made between the marks by UK consumers.

119. In *Iron & Smith kft v Unilever NV*, Case C-125/14, the CJEU held that:

> "If the earlier Community trade mark has already acquired a reputation in a substantial part of the territory of the European Union, but not with the relevant public in the Member State in which registration of the later national mark concerned by the opposition has been applied for, the proprietor of the Community trade mark may benefit from the protection introduced by Article 4(3) of Directive 2008/95 where it is shown that a commercially significant part of that public is familiar with that mark, makes a connection between it and the

[35] *Pago International GmbH v Tirolmilch registrierte GmbH,* Case C-301/07

later national mark, and that there is, taking account of all the relevant factors in the case, either actual and present injury to its mark, for the purposes of that provision or, failing that, a serious risk that such injury may occur in the future.

It is apparent from the court's judgment that "*a commercially significant part of the [relevant] public*" is intended to cover a lesser, but still significant, degree of recognition of the EUTM in the Member State where the same or a similar trade mark has been applied for by a third party. This is confirmed by versions of the judgment in other languages. The French version says that a "*commercially non-negligible*" part of the relevant public in the Member State must be aware of the earlier CTM (now: EUTM) and make a link with the later national trade mark.

It follows that where there is no awareness of the EU trade mark in the UK, or only a negligible level of awareness of it, the relevant UK public will not make the necessary 'link' between the EU mark and the later national mark. Consequently, the use of the national mark will not take unfair advantage of, or be detrimental to, the [EU] reputation and/or the distinctive character of the EU trade mark."

120. Therefore, even if I am wrong in my initial assessment as to a reputation, there is little evidence to show sufficient sales or any widespread awareness of the brand by the UK public. Without being able to do so, notwithstanding any reputation it may have established in the Czech Republic, I see no reason to conclude that a link would be made in the minds of a significant part of the relevant UK public. The evidence provided by the Opponents do not show that the relevant public in the UK have an awareness of the earlier mark. Therefore, even if there was a qualifying reputation, there would be no link and without a link none of the types of damage or injury could arise.

121. The opposition under section 5(3) fails.

Overall Conclusion

122. The opposition under sections 3(6) and 5(3) are unsuccessful.

123. Subject to appeal the opposition under section 5(2)(b) succeeds in part in relation to a limited number of goods and services as outlined at paragraph 108. The registration shall be refused for the following goods/services:

> Class 6: Decorative articles made of bronze, pewter, non-precious and common metal; artistic objects of bronze, pewter, non-precious and common metal.
>
> Class 28: Christmas decorations; Christmas tree ornaments and decorations; festive decorations.
>
> Class 35: Mail order retail services, including those online (online shopping) in the field of decorations for Christmas trees; mail order retail services, including those online (online shopping) in the field of common metals and their alloys, cutlery, knives and spoons.
>
> Class 42: Testing, authentication, verification and quality control of jewellery, cutlery, works of art and works of decorative art.

124. The remaining goods and services as set out in the Annex may proceed to registration.

Costs

125. Both parties have had a degree of success but given that the Opponents claims under section 3(6) and 5(3) did not succeed and its 5(2)(b) claim only succeeded in part, then I consider that, overall, the Applicant has had the greater share of success. I shall, however, reduce the Applicant's award by £100 to reflect the small success of the Opponents under 5(2)(b). In making an award to the Applicant, I bear in mind that it did not file evidence and the thrust of its primary submissions in response to the section 5(2)(b) claim was that the Opponents had not demonstrated proof of use and that its claims should fail on this basis. I have taken these matters into account and award costs to the Applicant accordingly. The costs assessment is based upon the scale published in Tribunal Practice Notice 2/2016 ("TPN"). Having regard to this guidance, I award costs to the Applicant on the following basis:

Considering the notice of opposition and preparing	
a defence and counterstatement:	£300

Considering the Opponents' evidence and preparing submissions in reply:	£300
Preparing for and attendance at the hearing:	£500
Less £100 to be awarded to the Opponents:	-£100
Total:	**£1,000**

126. I order Jamila Plocková together with MUCHA JP Praha, spol. sr.o. (jointly and severally) to pay Trebag AG as Trustee of Mucha Trust, the sum of £1,000 as a contribution towards its costs. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case, if any appeal against this decision is unsuccessful.

Dated this 4th day of November 2024

Ms L Davies

For the Registrar

ANNEX

Goods and Services as applied for
Class 3: Soaps; perfumery; fragrances for personal use; essential oils; aromatherapy oils; cosmetics; toiletries; personal care products; face, hair and body lotions; creams; shampoos; conditioners; moisturisers; aftershave lotions; antiperspirants; beauty masks; sun block; sun screen.
Class 6: Decorative articles made of bronze, pewter, non-precious and common metal; figurines of bronze, pewter, non-precious and common metal; busts of bronze, pewter, non-precious and common metal; artistic objects of bronze, pewter, non-precious and common metal; sculptures of bronze, pewter, non-precious and common metal; statues of bronze, pewter, non-precious and common metal; weather or wind vanes of bronze, pewter, non-precious and common metal.
Class 9: Fridge magnets; DVD's, CD's; audio and/or video recording media; mousemats, mousepads; glasses cases; pocket calculators; electronic diaries; electronic game software; digital media, namely, pre-recorded downloadable audio and video recordings, CDs, DVDs, high definition digital discs, MP3 files and MP4 files; audio discs; audio recordings; audio and video recordings; audio speakers; mobile telephone accessories; mobile telephone cases; mobile telephone covers; computer software; decorative magnets; downloadable software applications for mobile devices; motion picture films; musical recordings; sunglasses; protective covers and cases for tablet computers.
Class 16: Paper, cardboard; printed matter; bookbinding material; photographs; stationery; adhesives (sticking materials) for stationery or household purposes; artists' pastels, artists' drawing materials; sketch books, painting sets; paint brushes; typewriters and office requisites (except furniture); instructional or teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks; decoration and art materials and media; Stationery and educational supplies; Works of art and figurines of paper and cardboard, and architects' models; Address books; almanacs; appointment books; art prints; arts and craft paint kits; autograph books; baby books; ball point pens; binders; bookmarks; books; calendars; cartoon strips; Christmas cards; chalk; children's activity books; coasters made of paper; coin albums; colouring books; colour pencils; crayons; decals; decorative paper centrepieces; diaries; envelopes;

erasers; magazines; markers; memo pads; modelling clay; newsletters; newspapers; note paper; notebooks; notebook paper; paintings; paper flags; paper cake decorations; paper party decorations; paper napkins; paper party bags; paperweights; paper gift wrap bows; gift wrapping paper; paper pennants; paper place mats; paper table cloths; plastic party bags; pen or pencil holders; pencils; pencil sharpeners; pen and pencil cases and boxes; pens; periodicals; photograph albums; pictorial prints; picture books; portraits; postcards; posters; printed invitations; stickers; writing paper; writing implements; decorative glitter
Class 18: Bags, duffel bags, sports and athletics bags, canvas bags, beach bags, carry-on bags, tote bags; backpacks, satchels, cases, suitcases, trunks, articles of luggage; baby backpacks; book bags; calling card cases; change purses; coin purses; gym bags; handbags; knapsacks; key cases; luggage tags; overnight bags; shopping bags; tote bags; waist packs; purses, wallets, handbags; umbrellas, parasols, walking sticks; wallets; purses; umbrellas; parasols; collars, leashes and clothing for animals.
Class 20: Cushions; decorative mobiles; figurines and statuettes made of plaster; figurines and statuettes made of plastic; figurines and statuettes made of wax; figurines and statuettes made of wood; furniture; hand fans; mattresses; mirrors; non-Christmas ornaments made of plaster, plastic, wax or wood; party ornaments of plastic; picture frames; pillows; plastic cake decorations; wind chimes; interior window blinds; Mirrors (silvered glass); Picture frames; Furniture; Animal bone [unworked or partly worked material]; Mother-of-pearl, unworked or semi-worked.
Class 21: Household or kitchen utensils and containers (neither of precious metals, nor coated therewith); combs and sponges; brushes (except paint brushes); brush-making materials; Bakeware; beverageware; beverage glassware; brooms; cake pans; cake moulds; canteens; coasters, not of paper or textile; hair combs; cookie jars; cookie cutters; cork screws; cups; decorating bags for confectioners; dinnerware; dishware; dishes; drinking straws; hair brushes; heat-insulated vessels; household containers for food and beverages; insulating sleeve holders for beverage containers; non-electric kettles; lunch boxes; lunch kits comprising lunch boxes and insulated beverage containers for domestic use; mugs; napkin holders; napkin rings not of precious metals; non-metallic trays for domestic purposes; serving trays; pie pans; pie servers; plates; non-electric portable coolers;

servingware for serving food; sports bottles sold empty; soap dishes; tea pots; tea sets; toothbrushes; trivets; vacuum bottles; waste baskets; barbecue mitts; oven mitts; pot holders; thermal insulated containers and bags for food or beverages; containers for household or kitchen use; Household or kitchen utensils; combs; sponges; plastic tissue box covers.
Class 24: Textiles, not included in other classes; bed blankets; household linen; bed linen; curtains of textile or plastic; bath linen; children's blankets; cloth pennants; crib bumpers; curtains; fabrics for textile use; fabric flags; felt pennants; textile handkerchiefs; kitchen linens; throws; table linen; table covers; towels; textile fabrics for home interiors; woollen blankets; plastic table covers; plastic flags; plastic banners; plastic pennants; sleeping bags.
Class 27: Carpets, rugs, mats and matting; linoleum and other materials for covering existing floors; wall hangings (non-textile).
Class 28: Toys, games playthings and novelties; Christmas decorations; Christmas tree ornaments and decorations; festive decorations; artificial Christmas trees; Christmas stockings; Sporting articles and equipment; chess sets; collectable toy figures; dolls; doll clothing; doll accessories; jigsaw puzzles; magic tricks; marbles; playing cards; plush toys; fitted plastic films known as skins for covering and protecting electronic game playing apparatus, namely, video game consoles, and hand-held video game units; toy masks; Halloween masks.
Class 30: Honey, bakery goods; pastries; biscuits and bread; cakes; cereal bars; chocolate; cocoa; cocoa mixes; coffee; cookies; crackers; ice cream; sweets and confectionery; tea; beverages made of coffee; beverages made of tea; prepared cocoa-based beverages; Preparations made from cereals.
Class 32: Beers; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages; drinking water; energy drinks; flavoured waters; fruit juices; fruit-flavoured beverages; fruit-based beverages; lemonade; non-alcoholic punch; smoothies; sparkling water; sports drinks; syrups for making soft drinks; table water; vegetable juices.
Class 33: Alcoholic beverages (except beers); wines; sparkling wines.

Class 34: Tobacco, raw or manufactured; cigarettes, cigars, cigarillos, smoking and chewing tobacco; smokers' articles; matches.
Class 35: Advertising; Business management; Business administration; Office functions; Presentation of goods on communication media, for retail purposes; mediation of contracts for purchase and sale of products; Consultancy and information about customer services and management of products and their prices on internet sites in connection with purchases over the internet; Negotiation of agreements for others relating to the sale and purchase of goods; Arranging sales exhibitions for commercial and advertising purposes; Sales promotion for others; mediation of agreements regarding the sale and purchase of goods; Sale promotional services; Business intermediary and advisory services in the field of selling products and rendering services; shop retail services connected with carpets; Publicity and sales promotion relating to goods and services, offered and ordered by telecommunication or the electronic way; Providing information relating to commercial sales; Retail services in connection with stationery; Promotional marketing; Advertising and sales promotion; Consultancy relating to sales promotion; Electronic commerce services, namely providing information about products via telecommunication networks for advertising and sales purposes; Department store services for to the sale of cosmetic products, toilet preparations, household appliances, hand tools, optical products, household electrical and electronic equipment; Arranging events, exhibitions, sales exhibitions and shows for commercial, promotional and advertising purposes; Providing a searchable online advertising guide featuring the goods and services of other vendors, which are online on the internet; Advertising services to promote the sale of beverages; Retail services connected with the sale of furniture; Demonstration of goods; Demonstration of goods for promotional purposes; Demonstration of goods and services by electronic means, also for the benefit of the so-called teleshopping and home shopping services; Mail order retail services (including those online) in the field of sales of washing preparations, cleaning, polishing, scouring and abrasive preparations, soap, perfumery, essential oils, cosmetics, hair lotions, dentifrices, candles and wicks, pharmaceutical and veterinary preparations, sanitary preparations for medical purposes; Mail order retail services, including those online (online shopping) in the field of dietetic foodstuffs and dietetic substances adapted

for medical or veterinary purposes, food supplements for human and animal consumption, plasters, materials for dressings, material for stopping teeth, dental wax, disinfectants, preparations for destroying vermin, fungicides, herbicides; Mail order retail services, including those online (online shopping) in the field of common metals and their alloys, cutlery, knives, forks and spoons, razors; Mail order retail services, including those online (online shopping) in the field of recorded and non-recorded data carriers, recording discs, compact discs, DVDs and other recorded and non-recorded digital data carriers, recording discs, compact discs, DVDs and other digital data carriers, data processing equipment, computers, computer software, audiovisual recordings, audiovisual works, musical works, musical recordings; Mail order retail services, including those online (online shopping) in the field of apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; Mail order retail services, including those online (online shopping) in the field of musical instruments; Mail order retail services, including those online (online shopping) in the field of paper, cardboard, printed matter, book binding material, photographs, stationery, adhesives for stationery or household purposes, artists' materials, paintbrushes, typewriters and office requisites, instructional and teaching material, plastic materials for packaging, printers' type, printing blocks, posters, postcards, books, printed matter, magazines; Mail order retail services, including those online (online shopping) in the field of luggage, umbrellas, parasols, bags, whips, walking sticks; Mail order retail services, including those online (online shopping) in the field of articles for cleaning purposes; Mail order retail services, including those online (online shopping) in the field of textiles, sheets, tablecloths, lace and embroidery, ribbons and braid, buttons, hooks and eyes, pins and needles, artificial flowers, carpets, rugs, mats and matting, linoleum and other materials for covering existing floors, non-textile wall hangings; Mail order retail services, including those online (online shopping) in the field of games and playthings, gymnastic and sporting articles not included in other classes, decorations for Christmas trees; Mail order retail services, including those online (online shopping) in the field of foodstuffs and meals, snack foods, confectionery, chocolates, beverages; Administrative organisation of the transportation, delivery, sorting, shipment and warehousing of goods and parcels.

Class 41: Education; training; entertainment; sporting and cultural activities; education information; entertainment information; publication of books; arranging and conducting of colloquiums; arranging and conducting of conferences; arranging and conducting of congresses; arranging and conducting of seminars; arranging and conducting of symposiums; organization of exhibitions for cultural or educational purposes; organisation of digital exhibitions for cultural or educational purposes; organisation of virtual exhibitions for cultural or educational purposes; publication of texts [other than publicity texts]; arranging and conducting of workshops [training]; organization of competitions [education or entertainment]; photography; development, creation, production, and distribution of digital multimedia and audio and visual content, development, creation, production, distribution, and rental of audio and visual recordings; production of entertainment shows and interactive programs for distribution via audio and visual media, and electronic means; provision of virtual reality experiences as part of an exhibition; digital exhibition services for educational and entertainment purposes.
Class 42: Testing, authentication, verification and quality control of paintings, prints, drawings, sketches, pictures, sculptures, jewellery, furniture, plates, cutlery, books, perfume containers, cosmetic containers, biscuit containers, works of art and works of decorative art; design services; graphic design services, design consultancy; digitalisation of images.