O/1068/25

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION NO. 3792017
IN THE NAME OF MARLON GRANDISON
IN RESPECT OF THE SERIES OF TWO TRADE MARKS

Adidrip/adidrip

IN CLASSES 24 & 25

AND

THE APPLICATION FOR INVALIDATION THEREOF UNDER NO. 506575
BY ADIDAS AG

Background and pleadings

1. On 25 May 2022, Marlon Grandison ("the proprietor") applied to register the trade mark no. 3792017 for the series of two trade marks **Adidrip/adidrip** in the UK. The marks were accepted and published in the Trade Marks Journal on 17 June 2022, and registered on 26 August 2022 in respect of the following goods:

> Class 24: *Labels [cloth].*
>
> Class 25: *Clothing; Clothes; Tops [clothing]; Hoods [clothing]; Leisure clothing; Infant clothing; Children's clothing; Childrens' clothing; Sports clothing; Girls' clothing; Jackets [clothing]; Maternity clothing; Slips [clothing]; Athletic clothing; Windproof clothing; Silk clothing; Ladies' clothing; Beach clothes; Beach clothing; Men's clothing; Boys' clothing; Bottoms [clothing]; Headbands [clothing]; Baby clothes.*

2. On 11 October 2023 adidas AG ("the cancellation applicant") applied to invalidate the above registration on the basis of section 47(2) which brings into effect sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). This is on the basis of its marks/sign as set out below:

> Trade marks relied on under section 5(2)(b) and 5(3)
>
> 1. UK trade mark no. 937558 for the mark ("the earlier '558 mark"):
>
> adidas
>
> Filing date: 3 February 1969
> Registration date: 3 February 1969
>
> In respect of the following goods:
> Class 25: *Suits, shorts, pants, tights and shirts, all being articles of sports clothing; jerseys, socks (for wear).*

2. UK trade mark no. 1182680 for the mark ("the earlier '680 mark"):

Filing date: 1 October 1982
Registration date: 1 October 1982
In respect of the following goods:
Class 25: *Articles of outerclothing; footwear being articles of clothing.*

Sign relied on under section 5(4)(a)

adidas

Used throughout the UK since at least 1969
In respect of *footwear; sports apparel; articles of clothing.*

3. By virtue of their earlier filing dates, the two registrations relied upon constitute earlier marks in accordance with section 6 of the Act. Although both registrations had been registered for a period of over five years at the filing date of the contested registration and are therefore subject to the use provisions set out in sections 47(2A) and 47(2B) of the Act, the proprietor did not request that the cancellation applicant provide proof of use in these proceedings. The cancellation applicant may therefore rely on the full list of goods protected under its two earlier registrations, without the requirement to prove use of the same.

4. In respect of section 5(2)(b), the cancellation applicant argues that the respective goods are identical or similar and that the marks are similar, and as such there exists a likelihood of confusion between the earlier marks and the contested registration.

5. In respect of section 5(3) of the Act, the cancellation applicant argues that it has a reputation for its earlier marks, and that use of the proprietor's mark would lead

consumers to believe there is an economic connection between the parties responsible for the marks, and/or cause consumers to make an association between them. As such, it is argued that the use of the contested mark will result in an unfair advantage for the proprietor, in addition to causing detriment to the distinctive character and repute of the earlier mark.

6. In respect of section 5(4)(a) of the Act, the cancellation applicant argues that it has considerable goodwill in its business under its sign relied upon, and that use of the contested mark by the proprietor would result in misrepresentation and damage.

7. The proprietor filed a counterstatement disagreeing with the cancellation applicant's arguments set out within its statement of grounds, setting out his reasons for choosing the mark, and claiming he does not intend to use the mark for clothing moving forward.[1]

8. Only the cancellation applicant filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary.

9. A Hearing took place on 2 April 2025. The cancellation applicant was represented throughout these proceedings by J A Kemp LLP and was represented at the hearing by Mr Ryan Tang of the same. The proprietor was unrepresented throughout the proceedings and opted not to attend the hearing or file written submissions in lieu of the same.

10. 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.

[1] The proprietor's mark has not been challenged based on an intention to use the same and as such I do not intend to consider this point further.

Preliminary issues

11. Within his skeleton arguments, Mr Tang included a significant amount of evidence including screenshots and references and links to various YouTube videos. I note there was also a link to a YouTube video included within the original TM26(I) filed. At the hearing, I explained to Mr Tang that I consider the references, links and screenshots in his skeleton arguments to be evidence of fact that had not been filed in the proceedings. I explained that as I had not had an application to admit late evidence into the proceedings, I did not intend to give this any weight within my final decision. I also noted that the link included in the original TM26(I) filed had not been followed or watched, as this was also not filed in the correct evidential format. I highlighted that, as is set out clearly in the Trade Marks Manual, the hearing officer will not undertake independent research or follow any links to internet pages provided.

12. Mr Tang accepted this, and confirmed he would not make further reference to the additional evidence. He stated however, that as it was included within the proprietor's counterstatement, I should take account of the fact that the proprietor is a musical artist. I stated that I would of course consider the statements made by the proprietor within his TM8, but also noted that the fact the proprietor states he is a musical artist appears unlikely to have any bearing on the decision I have to make.

13. I therefore proceed with this decision on the basis outlined above.

Evidence

14. The cancellation applicant filed its evidence in the form of a witness statement in the name of Sarah Talbot, the "VP Global Trademarks" for the cancellation applicant. The statement is dated 2 May 2024 and introduces six exhibits, namely Exhibit ST1 to Exhibit ST6. The evidence goes to the use and reputation of the earlier marks.

Section 47 of the Act

15. The relevant parts of section 47 of the Act are set out below:

"47. (1) […]

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

[…]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed."

Section 5(2)(b)

16. Section 5(2)(b) of the Act is as follows:

"5(2) A trade mark shall not be registered if because-

(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".

17. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG,* Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,* Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV,* Case C-425/98, *Matratzen Concord GmbH v 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 goods and services

18. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, 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".

19. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

20. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"… Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

21. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity

between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)***,** Case T-325/06, the General Court ("GC") stated that there is complementarity where:

> "...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking".

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

23. With the above in mind, the goods for comparison are as follows:

Earlier goods	**Contested mark**
Under the earlier '558 mark Class 25: *Suits, shorts, pants, tights and shirts, all being articles of sports clothing; jerseys, socks (for wear).*	Class 24: *Labels [cloth].* Class 25: *Clothing; Clothes; Tops [clothing]; Hoods [clothing]; Leisure clothing; Infant clothing; Children's clothing; Childrens' clothing; Sports clothing; Girls' clothing; Jackets [clothing]; Maternity clothing; Slips [clothing]; Athletic clothing; Windproof clothing; Silk clothing; Ladies' clothing; Beach clothes; Beach clothing; Men's clothing; Boys' clothing; Bottoms*
Under the earlier '680 mark Class 25: *Articles of outerclothing; footwear being articles of clothing.*	

	[clothing]; Headbands [clothing]; Baby clothes.

Class 24

24. The contested goods in class 24 comprise *Labels [cloth]* only. At the hearing, Mr Tang made the following submissions on the similarity of these goods with those covered by the earlier mark:

> "The contested mark is also registered in respect of goods in class 24 being 'labels cloth'. Our submission on that is that labels for clothing are actually an integral component of clothes. Consumers will buy clothes with labels affixed to them because they want to know the identity of the manufacturer, the place of origin or the instructions for washing or treating the clothes, so the labels will not be sold separately from clothing from a commercial perspective.
>
> If one considers the well-recognised criteria for assessing identity or similarity of goods from the Treat case, which I have cited at paragraph 13 of my skeleton argument, in terms of the users of the goods, the users and the trade channels, then functionally they are identical and indeed labels in our submission would be physically attached to clothing. They are inseparable, so that establishes identity of goods. In any event they are also likely to be seen as complementary because for the reasons I have just submitted, labels for clothing are indispensable and important for the use of clothing and that falls within the test for complementary goods under the Boston Scientific case.
>
> So if one looks at the class 25 and class 24 goods for which the contested mark is registered and compare that to the class 25 goods for which the earlier marks are registered, then there is of course a degree of direct overlap. There is identity of goods because the categories of clothing for which the earlier marks are registered in class 25 are subcategories of clothing in general or at the very least a high level of similarity for those reasons."

25. At the hearing, I asked Mr Tang if he would like to make any further submissions in case I was not with him on his point that the labels in the specification should be considered as parts of clothing only, and if I considered it appropriate to make my considerations on the basis that the labels are goods that would be sold separately from clothing goods. He said on that basis, they should in any case be considered complementary.

26. Having considered this matter, in my view that there is no doubt the class 24 goods should be considered in and of themselves, and not simply as goods only offered to consumers as parts of clothing items purchased. I do not consider it feasible to find identity between clothing in class 25 and labels in class 24 on this basis, even if clothing often or always includes labels. This does not make them the same goods. It is my view that *labels [cloth]* will likely be sold to manufactures of clothing and other goods that use these items, so that they may be sewn into the same during the manufacturing process. The users are therefore unlikely to overlap. Further, I consider the nature to differ, in addition to the purpose and method of use, and they will not be in competition. On the point made by Mr Tang regarding complementarity, whilst I accept that clothing and labels for those goods may be important or essential to one another, I do not accept that the consumer will believe the entity selling labels per se will be the same economic entity responsible for selling finished articles of clothing on this basis. There is therefore no complementarity between the goods. Overall, I consider the goods to be dissimilar.

Class 25

27. The following contested goods in class 25 all comprise categories of clothing within which the earlier goods *suits, shorts, pants, tights and shirts, all being articles of sports clothing; jerseys* or *articles of outerclothing* will fall, or vice versa:

> Class 25: *Clothing; Clothes; Tops [clothing]; Leisure clothing; Children's clothing; Childrens' clothing; Sports clothing; Girls' clothing; Jackets [clothing]; Maternity clothing; Athletic clothing; Windproof clothing; Ladies' clothing; Men's clothing; Boys' clothing; Bottoms [clothing]; Headbands [clothing]; Hoods [clothing].*

28. The above goods are therefore all identical in accordance with the principles set out in *Meric*.

29. Next, I consider the contested goods outlined below:

Class 25: *Infant clothing; Baby clothes.*

30. Whilst I note it is unlikely that babies or infants will play sports as such, it is not uncommon for goods such as football strips for example, to be made in baby and infant size. I consider baby and infant football strips to fall within the earlier goods *suits, shorts, pants, tights and shirts, all being articles of sports clothing* and as such, I also consider these to be identical in accordance with the principles set out in *Meric*. However, if I am wrong in this finding, it is my view that the earlier goods *articles of outerclothing* will in any case include articles of outer clothing for babies an infants and they will therefore be identical to these goods, and they remain similar to a medium degree to the previous goods identified due to the similar nature, purpose and method of use (all being clothing), and on the basis they are likely to share trade channels and users.

31. I now move on to consider the following contested goods:

Class 25: Silk clothing.

32. I consider that the earlier goods *articles of outerclothing* will include silk jackets and coats, and I therefore consider these goods identical in accordance with the principles set out in *Meric*.

33. Next, I consider the following contested goods below:

Class 25: *Beach clothes; Beach clothing.*

34. It is my view that the above goods will not strictly fall within any of the categories covered by the earlier goods. Whilst I note there are various sports that may be played

on a beach, such as volleyball for example, I do not consider the ordinary and natural meaning of beach clothing will cover items of sports clothing for playing beach-based sports, or vice versa. However, I consider the nature, purpose and method of use of, for example, shorts/shirts being articles of sports clothing and beach shorts/shirts will be highly similar, both being shorts/shirts for wearing on the body to enable modesty whilst also keeping cool and allowing fairly unrestricted movement. It would not be uncommon for sports shorts/shirts to be worn on the beach, and whilst it may not have been the designer's intention for them, I consider there may be an element of competition between the goods. The goods are likely to share trade channels both being sold in clothing stores and will share users by way of the general public. Overall, I consider the above goods similar to the earlier goods to a high degree.

35. I now move on to consider the following contested goods:

Class 25: *Slips [clothing]*

36. I do not consider the above goods to be identical to any of the earlier goods relied upon. I will consider the above goods against the earlier *socks*. I note both *socks* and *slips [clothing]* are for wearing on the body, generally underneath other clothing. It is my view that to an extent, they share some similarities in purpose and method of use. I note the nature of the goods will generally differ, being of different sizes and shapes, and generally made of different fabrics. However, I consider that trade channels will be shared, with both being sold by retailers or entities specialising in underwear for example. Users will be shared by way of the general public. However, it seems unlikely the goods will be in competition or be complementary. Overall, I consider the goods to be similar to between a low and medium degree.

Comparison of marks

37. 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

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."

38. It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

39. The respective trade marks are shown below:

Earlier trade marks	**Contested trade mark**
adidas adidas	Adidrip/adidrip

40. Both earlier marks are the single word 'adidas' presented in lowercase letters and in a standard font. The letters in the earlier '680 mark are in bold. In both cases, the overall impression resides (at least primarily in the case of the earlier '680 mark) in the word itself, and in the marks as a whole.

41. The contested marks are both the word 'adidrip'. One mark in the series has an upper-case 'A' and one has a lower-case 'a', but both varieties clearly fall within the fair and notional use of the other word mark in the series. As such, the upper-/lower-case 'A/a' makes no difference to the overall impression of the marks, which in both cases resides in the word itself and the marks as a whole.

42. Due to the stark similarities shared by both of the earlier marks, and between both of the contested marks, I intend to conduct my comparison of the marks together below.

Visual comparison

43. Visually, all of the marks coincide through the use of the same four letters a-d-i-d, which are positioned at the beginning of each mark where they tend to have more impact on the consumer.[2] The last two letters in the earlier marks are different to the last three letters in the contested marks, those being 'as' in the earlier marks and 'rip' in the contested marks. I note the contested marks are word marks and therefore may be presented in bold and use any standard combination of upper- and lower-case lettering, and so these differences make no material difference visually. By virtue of the similarities positioned at the start of the marks, it is my view all of the marks are visually similar to between a medium and high degree.

Aural comparison

44. The earlier marks will both be pronounced identically. They both include the three syllables, namely AD-DEE-DAS. The contested marks will also both be pronounced identically, comprising the three syllables AD-DEE-DRIP. Considering the first two syllables in each of the marks are identical, but the final syllable of the earlier marks has little resemblance to the final syllable in the contested marks, I consider the marks aurally similar to between a medium and high degree.

Conceptual comparison

45. The earlier marks appear to be entirely made-up words with no meaning. In its counterstatement, the proprietor states:

[2] See *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

> “As an Artist I have musical content with a song titled 'ADIDRIP' which stems from my carribean culture and slang dialect ADI MEANING (THIS IS) and DRIP MEANING (SWAG) also used in the urban world and in Carribean Patois.”

46. The proprietor has not filed any further evidence on this point, and it is not possible from this statement alone to determine that a significant portion of UK consumers would be immediately aware of this intended meaning. In the circumstances, I consider that UK consumers would most likely consider the contested marks to also be entirely made-up words. I therefore consider the marks to be conceptually neutral.

Average consumer and the purchasing act

47. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: Lloyd Schuhfabrik Meyer, Case C-342/97.

48. In Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited, [2014] EWHC 439 (Ch), Birss J. (as he then was) described the average consumer in these terms:

> “60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the 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.”

49. The average consumers of the identical or similar goods in this instance will primarily comprise members of the general public. I consider these are goods that will be purchased fairly frequently, although they are unlikely to be everyday purchases. The price point of the goods will vary considerably, and whilst in some instances the

price of the goods will be high, I do not consider this will raise the level of attention paid towards the goods as a whole. The general public will likely consider factors such as the aesthetics, quality, practicality and materials used when making a purchase. Overall, I find the general public will pay a medium level of attention to the same.

50. I consider there will also be a group of professional consumers, who will purchase the goods in order to stock retail stores for example. These consumers are likely to pay a higher degree of attention to the goods than the general public, due to the responsibility of their position and the impact the purchases may have on their business. I consider these consumers will pay an above medium level of attention to the same.

51. All of the goods will primarily be engaged with visually. The goods will likely be purchased by the general public via online or physical retail stores, although the professional consumer may purchase these from online or physical wholesale stores, and both sets of consumers may place orders via brochures and catalogues. However, I note that there may also be a verbal element to the purchasing process. For example, verbal assistance may be sought from retail or wholesale staff. I therefore cannot completely discount the aural comparison.

Distinctive character of the earlier trade mark

52. I have already found the earlier marks to be made up words, meaning they will hold a high degree of distinctive character inherently. In addition, the cancellation applicant has filed evidence in these proceedings, and as such I must also consider whether the distinctiveness of the earlier marks had been enhanced through use. When considering whether the distinctiveness has been enhanced, it is the perception of the relevant consumer at the relevant date, that being the filing date of the contested mark of 25 May 2022, that is key.

53. In her witness statement, Ms Talbot explains that the cancellation applicant was founded in 1949, and is one the world's largest manufacturers and retailers of sportswear. Worldwide and UK turnover figures are provided as follows:

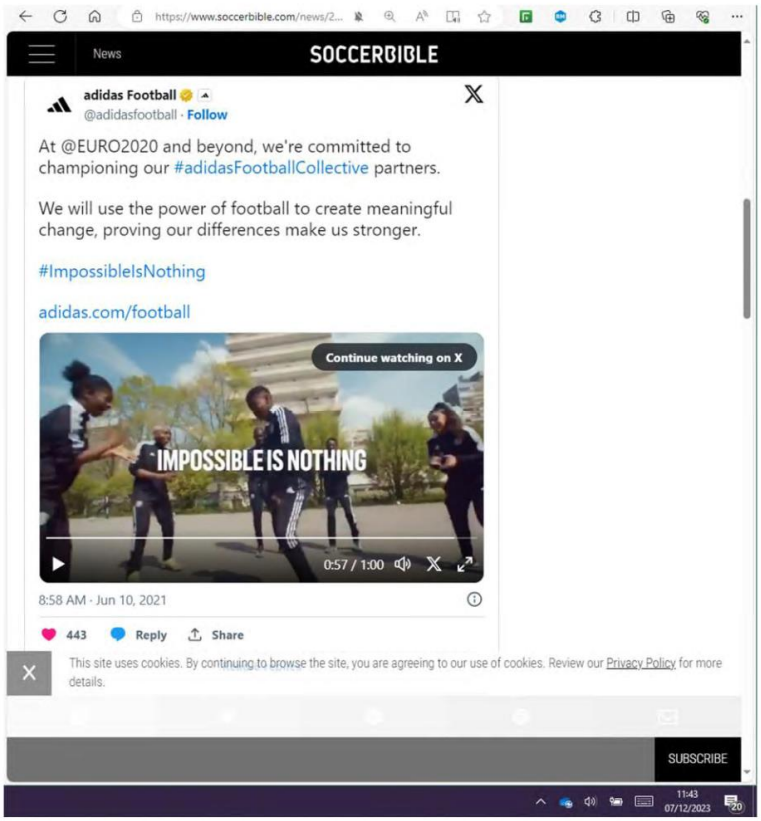
Year	Worldwide turnover (€ Millions)	UK turnover (£ Millions)
2018	21,915	1,136
2019	23,640	1,105
2020	19,844	1,045
2021	21,234	1,292
2022	22,511	1,236

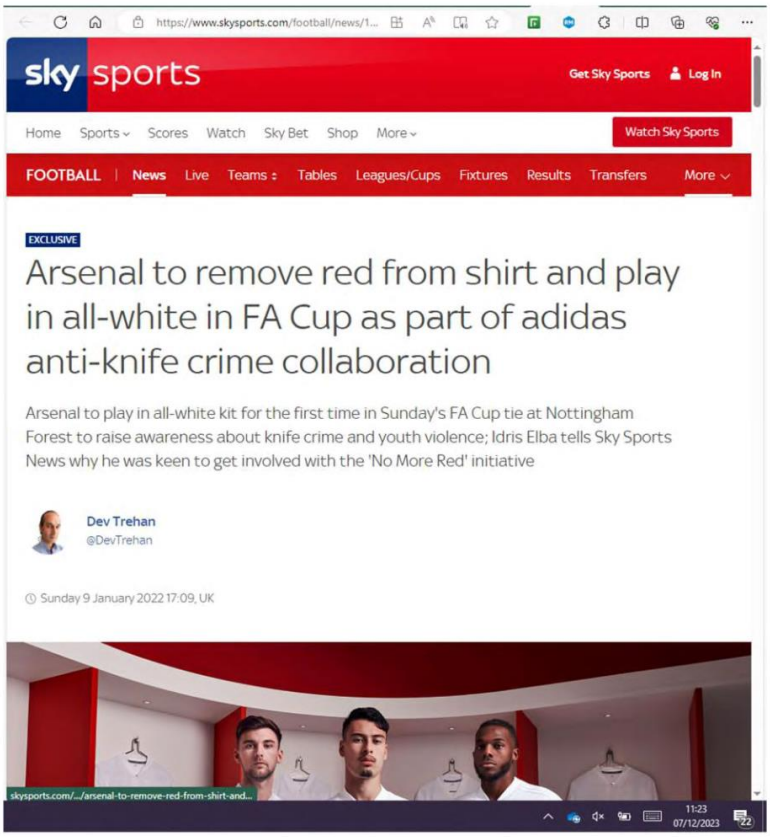
54. Ms Talbot explains that the cancellation applicant sells a wide range of footwear, sports apparel and clothing under its mark in the UK, and provides as an example unit sales relating to long sleeve tops between 2018 – 2022. These range from (approximately) 140,000 to over 970,000 yearly, with the largest figure being from 2021. A spreadsheet showing the goods to which these figures relate is provided at exhibit ST3, which displays a variety of long sleeve clothing items including what appear to be t shirts, sports jackets and sports tops, some of which visibly bear the earlier marks, and all of which Ms Talbot has confirmed at paragraph 7 of her witness statement bear the earlier mark ‘adidas’.

55. Exhibit ST4 provides images from the cancellation applicant’s website. Ms Talbot explains that whilst these postdate the relevant period, the site looked very similar at the relevant date and in the five years prior to the same. This shows items of clothing being sold on the website, with the main use of the mark being as a word describing some of the goods on offer, for example as below:

56. Ms Talbot explains that the cancellation applicant held between 17.8% and 22.6% of the UK market for footwear, between 17.2% and 18.5% of the market for apparel, and between 9.8% and 14.6% for “accessories” between 2015 – 2021. She also explains that between January-September 2021, it held 22.6% of the market for footwear and 17.2% of the market for apparel, and 14% of the “accessories” market.

57. Ms Talbot goes on to confirm that the cancellation applicant has spent approximately 772 million GBP on “advertising, marketing and promotion of the adidas range of clothing, footwear and related items in the UK” between 2016 – 2021. Of that money, Ms Talbot confirms approximately 445 million GBP was spent in connection with its commercial relationships with Manchester United FC, Arsenal FC and Chelsea FC, as well as the British Olympic Association. Ms Talbot also provides a table listing various campaigns run and provides images which she refers to as being of long sleeve tops showing or being sold under the mark at Exhibit ST5. The images provided appear to mostly be of promotional posts, articles and promotional material, such as the below:


https://www.soccerbible.com/news/2...
News
SOCCERBIBLE
adidas Football
@adidasfootball · Follow
At @EURO2020 and beyond, we're committed to championing our #adidasFootballCollective partners.
We will use the power of football to create meaningful change, proving our differences make us stronger.
#ImpossibleIsNothing
adidas.com/football
Continue watching on X
IMPOSSIBLE IS NOTHING
0:57 / 1:00
8:58 AM · Jun 10, 2021
443
Reply
Share
This site uses cookies. By continuing to browse the site, you are agreeing to our use of cookies. Review our Privacy Policy for more details.
SUBSCRIBE
11:43
07/12/2023


https://www.skysports.com/football/news/1...
sky sports
Get Sky Sports
Log In
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Scores
Watch
Sky Bet
Shop
More
Watch Sky Sports
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Arsenal to remove red from shirt and play in all-white in FA Cup as part of adidas anti-knife crime collaboration
Arsenal to play in all-white kit for the first time in Sunday's FA Cup tie at Nottingham Forest to raise awareness about knife crime and youth violence; Idris Elba tells Sky Sports News why he was keen to get involved with the 'No More Red' initiative
Dev Trehan
@DevTrehan
Sunday 9 January 2022 17:09, UK
skysports.com/.../arsenal-to-remove-red-from-shirt-and...
11:23
07/12/2023

58. It is not possible to date all of the material provided at this exhibit prior to the relevant period.

59. Whilst I have not outlined all of the evidence provided above, this has all been considered. Considering the sum of the evidence shown, including the very high turnover figures and marketing spend, the considerable market share for the goods, in addition to the evidence showing the use of the marks[3] particularly in relation to the *shirts, all being articles of sports clothing* relied upon by the earlier '558 mark, as well as *sports jackets* as included within *articles of outwear* under the earlier '680 mark, I find the distinctiveness of the earlier marks to have been enhanced through use at the relevant date to a very high degree at least in respect of the same.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion

60. Prior to reaching a decision under section 5(2)(b), I must first consider all relevant factors, including those as set out within the principles A-K at paragraph 17 of this decision. I must view the likelihood of confusion through the eyes of the average consumer, 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 they have kept in their mind. I must consider the level of attention paid by the average consumer, and consider the impact of the visual, aural and conceptual similarities of the marks by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. I must consider that the level of distinctive character held by the earlier mark will have an impact on the likelihood of confusion. I must remember that the distinctiveness of the common elements is key.[4] I must keep in mind that a lesser degree of similarity between the goods may be offset by a greater

[3] I find the use of the mark shown in the evidence to be acceptable variants of the marks relied upon. This is either in accordance with the principles of fair and notional use of a word mark, or due to the fact that the use of the mark as a word does not appear to change the distinctive character of the earlier '680 mark and it is therefore an acceptable variant in accordance with the principles from the established case law as set out by Mr Phillip Johnson sitting as the Appointed person in *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22.

[4] See *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, in which Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar.

degree of similarity between the marks, and vice versa. I must also consider that both the degree of attention paid by the average consumer and how the goods are obtained will have a bearing on how likely the consumer is to be confused.

61. There are two types of confusion that I may find. The first type of confusion is direct confusion. This occurs where the average consumer mistakenly confuses one trade mark for another. The second is indirect confusion. This occurs where the average consumer notices the differences between the marks, but due to the similarities between the common elements, they believe that both products derive from the same or economically linked undertakings.[5]

62. In *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

63. In this instance, I have found the goods to range from identical to dissimilar. Where the goods are dissimilar, an application for invalidation based on section 5(2)(b) of the Act cannot succeed,[6] and as such, the application for invalidation must fail in respect of the class 24 goods *Labels [cloth].*

64. In respect of the remaining goods, I found these to be similar to the earlier goods to a medium degree or above. I found the marks to be visually and aurally similar to between a medium and high degree, and conceptually neutral. I found the earlier marks to hold a high degree of inherent distinctive character, and that this had been enhanced to a very high degree through use, at least in respect of some of the identical goods. I consider that the average consumer of the similar goods will primarily comprise members of the general public paying a medium degree of attention, but that there will also be professional consumers who pay slightly more attention to the goods.

[5] See *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10
[6] See *eSure Insurance v Direct Line Insurance,* [2008] ETMR 77 CA

65. Overall, I note there are a number of factors in the cancellation applicant's favour, particularly the high or very high degree of distinctiveness of the earlier mark, the lack of conceptual difference and the identity of some of the goods. I also consider that consumers will in certain circumstances, see what they expect to see.[7] However, whilst I have considered all of the factors very carefully, it is my view in this instance that the differences between the marks visually and aurally are too significant to simply go unnoticed or be misremembered by the average consumer paying at least a medium degree of attention. I therefore do not consider there to be a likelihood of direct confusion in this instance.

66. I therefore move on to consider the likelihood of indirect confusion. In *L.A. Sugar* (cited above) Mr Iain Purvis Q.C. (as he then was), as the Appointed Person set out three examples of when indirect confusion may occur as below:

> 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)."

[7] See *Aveda Corporation v. Dabur India Ltd* [2013] EMTR 33

67. I note that the examples above were intended to be illustrative and are not exhaustive. I also keep in mind *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, in which Arnold LJ referred to the comments of James Mellor Q.C. (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

68. Further, I also consider *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), in which Arnold J. (as he then was) considered the impact of the CJEU's judgment in *Bimbo,* Case C-591/12P, on the court's earlier judgment in *Medion v Thomson.* The judge said:

> "18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.
>
> 19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.
>
> 20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the

composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

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

69. On the subject of indirect confusion, at the hearing Mr Tang argued that being at the beginning of the marks, consumers would pay more attention to the 'adi' element in each, and that changes to the second part of the mark would therefore appear to be a logical brand extension. Alternatively, he submitted that due to the high level of distinctiveness in the earlier mark, consumers would assume that another mark beginning with 'adi' is owned or at least authorised by the cancellation applicant. He submits that this basis for confusion falls into category (a) set out in *L.A. Sugar*.

70. Whilst I have considered the submissions above, I disagree with the arguments made. It is well established that consumers tend to see marks as a whole, and whilst they may break these down into elements that for them have meaning, I consider that isolating "adi" within the earlier mark amounts to an artificial dissection of the same, rather than how the mark may be logically broken down by consumers. Further, I do not consider that 'adi' plays an independent distinctive role in the mark such as is set out in *Medion*. Whilst I consider that the earlier marks have a very high level of distinctiveness, particularly in respect of some identical goods, this is held in the mark as a whole. I therefore do not consider this to be an example that fits neatly within category (a) of *L.A. Sugar,* and that consumers would automatically assume that any other mark beginning with the letters "adi" must stem from the cancellation applicant. Overall, and keeping in mind all of the relevant factors, I do not consider there to be a logical reason for an entity using the mark "adidas" to change the last two letters of the

same to “rip” and use the mark “adidrip” as a sub-brand or otherwise. It is my view there is no proper basis on which to find a likelihood of indirect confusion in this instance.

71. The application for invalidation based on section 5(2)(b) of the Act therefore fails.

Section 5(3)

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

> “(3) A trade mark which-
>
> is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark”.

73. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors,* Case C-252/07, *Intel,* Case C-408/01, *Adidas-Salomon,* Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C-383/12P, *Environmental Manufacturing LLP v OHIM.* The law appears to be as follows:

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; G*eneral Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42.

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68*;* whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) the more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark; *L'Oreal v Bellure NV*, paragraph 44.

(g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel,* paragraphs 76 and 77 and *Environmental Manufacturing*, paragraph 34.

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

(i) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier

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

(j) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure).*

74. An application for invalidation based on section 5(3) of the Act can only be successful via the establishment of several individual elements. To be successful on this ground, the cancellation applicant must prove it holds a reputation for the earlier mark(s) relied upon amongst a significant portion of the public. It must also be established that the marks are similar. If it is found both that the marks are similar and that the earlier mark(s) hold a qualifying reputation, it must then be shown that this reputation, combined with the similarity between the marks, will result in the relevant public establishing a link between the marks. A link may be found on the basis that the later mark brings the earlier mark to mind. Importantly, if all three of these elements have been established, it must then be shown that the link made by the public will result in, or will be likely to result in, one of the pleaded types of damage.

75. The relevant date for consideration under section 5(3) of the Act is the filing date of the contested mark, that being 25 May 2022. The cancellation applicant claims to hold a reputation in the UK for both of its earlier marks at this date.

Reputation

76. 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."

77. I have already summarised the evidence provided in this instance in my assessment of enhanced distinctive character earlier in this decision. I do not intend to summarise the evidence again in full at this stage, however, I note in particular the huge UK marketing and turnover figures provided, and the very significant market share held by the cancellation applicant in respect of a variety of clothing, footwear and accessories. Further, I note the examples of unit sales for long sleeve tops, and the evidence showing sports tops and jackets on offer under the mark prior to the relevant date. Considering all of the evidence provided, it is my view that the cancellation applicant has shown it holds a very strong reputation, at least in respect of *shirts, all being articles of sports clothing* as relied upon under the earlier '558 mark

and *sports jackets* falling within the broader category of *articles of outwear* under the earlier ‘680 mark, at the relevant date.

Link

78. I therefore move on to consider whether the average consumer would make a link between the marks in this instance. I consider this in accordance with the factors set out in Intel as below:

The degree of similarity between the conflicting marks

79. I found the marks visually and aurally similar to between a medium and high degree. I found the marks to be conceptually neutral.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

80. I found the contested goods to range from identical to dissimilar to those for which the cancellation applicant holds a reputation.

81. I do note at this point, that I have not previously conducted an assessment of similarity for all of the contested goods based only on *shirts, all being articles of sports clothing* or *sports jackets* for which I have found the earlier marks to hold a reptation. Particularly I note the contested *silk clothing* and *slips [clothing]* have instead been compared to the goods *articles of outerwear* generally or *socks*. I note for the purposes of this ground, that considering these are all clothing, will share users and trade channels and there will be an element of overlap in purpose, I find these goods similar to those for which I have outlined the cancellation applicant holds a reputation to at least a low degree.

82. I found the earlier goods will primarily be purchased by members of the general public, as will the contested goods in class 25, although both may also be purchased

by professionals, whilst the contested goods in class 24 will primarily be purchased by professional consumers such as manufacturers.

The strength of the earlier mark's reputation

83. I have found the earlier mark to hold a very strong reputation for the goods previously outlined.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

84. I found the earlier mark to hold a high degree of distinctive character, and that this will have been enhanced to a very high degree in respect of the goods for which the cancellation applicant holds a reputation.

Whether there is a likelihood of confusion

85. It is possible under section 5(3) for the reputation of an earlier mark to be such that the relevant consumer is likely to believe that the use of a contested mark in relation to similar or dissimilar goods or services will be use of the same or a similar mark deriving from the same or a connected economic entity. A finding of this nature would result in a conclusion that there is a likelihood that the consumer will be confused as to the origin of the marks either directly or indirectly under this ground.

86. Considering all of the relevant factors, it is my view that despite the reputation and high level of distinctiveness of the earlier mark, there will not be a likelihood of confusion between the marks, even in the context of this ground.

Conclusions on link

87. I remind myself at this stage that finding similarity between the goods, or indeed a likelihood of confusion, is not required in order to find a link would be made between the marks, although the closeness of the goods is one factor to take into account when considering if the use of the later mark would bring the earlier mark to mind. In this

instance, I consider particularly the aural and visual similarities between the marks and the very high level of distinctive character held by the earlier mark in respect of the goods for which I have found the cancellation applicant to also hold a very strong reputation. Further, I consider the similarity and the possibility for shared trade channels in respect of all of the clothing goods. Whilst I note that the class 24 goods *labels [cloth]* themselves will be likely targeted at manufactures of clothing rather than the consumers of clothing themselves, I consider that these consumers will often be involved in the clothing industry at large, and the goods are not entirely disparate.

88. Considering all of the factors present in this case, it is my view that for at least a significant portion of consumers of all of the contested goods, the cancellation applicant's earlier mark will be brought to mind by the use of the contested mark, even where it is not believed the goods derive from the same entity. This is enough to create a link between the marks, and as such I go on to consider damage as pleaded by the cancellation applicant below.

Damage

Unfair advantage

89. In its TM26(I), the cancellation applicant pleads there will be an unfair advantage based on the consumers believing there is an economic connection between the marks. I have already dismissed that there exists a likelihood of direct or indirect confusion under this ground, and as such, I cannot find an unfair advantage on this basis.

90. However, I note the cancellation applicant also goes on to plead:[8]

> "The Invalidity Applicant's mark will be associated by the average consumer with the proprietor of the later mark and the reputation therein, allowing the proprietor of the later mark to ride on the coat tails of the Invalidity Applicant's

[8] Whilst I note the comments below are placed within the box referring to detriment to the distinctive character of the mark, they appear to refer to a pleading of unfair advantage, and I find it appropriate to consider these in the context of the same.

reputation and marketing effort and unfairly benefitting therefrom in the current attractive force of the Invalidity Applicant's considerable reputation in their earlier mark."

91. I have considered whether the reference to the mark being "associated" with the cancellation applicant is the cancellation applicant reiterating the argument that the marks will be considered economically connected. However, I note that (in the context of 5(2)(b)) case law sets out that mere *association* is not enough for a finding of likelihood of confusion, if this is on the basis that one mark simply calls another to mind (see *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17). I therefore consider the reference to an association above need not be strictly interpreted as a reference to a perceived economic link between the parties. As such, I find the cancellation applicant's pleading above to include the argument that the proprietor will unfairly benefit from the earlier marks relied on by the cancellation applicant being called to mind.

92. Having considered all of the factors in this case, it is my view that, noting the very strong reputation held by the cancellation applicant under the earlier mark as well as the significant similarities between the marks, by using the contested mark (which I have found will call the earlier mark to mind) the proprietor will no doubt benefit from an instant familiarity in the eyes of the consumer, thereby securing a commercial advantage as a direct benefit of the cancellation applicant's reputation, and removing some of the need to invest in the marketing or promotion of its own mark. I therefore agree with the cancellation applicant that the proprietor will gain an unfair advantage from the use of its mark in respect of all of the goods filed.

93. As I have found for the cancellation applicant on the basis of unfair advantage, there is no need to consider the other types of damage pleaded.

Section 5(4)(a)

94. Section 5(4)(a) states:

"(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

[…]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

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

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

The principles

96. In *Discount Outlet v Feel Good UK,* [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

"55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the Jif Lemon case (Reckitt & Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether *"a substantial number"* of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

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

> "Establishing a likelihood of deception generally requires the presence of two factual elements:
>
> (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation among a relevant class of persons; and
> (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.
>
> While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.
>
> The question whether deception is likely is one for the court, which will have regard to:
>
> (a) the nature and extent of the reputation relied upon,
> (b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;
> (c) the similarity of the mark, name etc used by the defendant to that of the claimant;
> (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
> (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

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

The relevant date

98. In *Advanced Perimeter Systems Limited v Multisys Computers Limited,* BL O-410-11, Mr Daniel Alexander QC, as the Appointed Person, endorsed the registrar's assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

> "43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:
>
> > 'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.'"

99. There is no evidence in this case of the proprietor using his mark in respect of the goods applied for prior to the filing date of 25 May 2022. The 25 May 2022 is therefore the relevant date under this ground.

Goodwill

100. I have already outlined the evidence filed in these proceedings, and found, for example, a very strong reputation held by the cancellation applicant in respect of its mark adidas (which is identical to the sign relied upon in this case) in respect of at least sports shirts and sports jackets, both of which I consider to be articles of sports

apparel as relied upon by the cancellation applicant under this ground. It is clear that this same evidence, which provides significant turnover, unit sales, marketing campaigns and marketing spend under this sign in the UK prior to the relevant date, is also sufficient to establish significant levels of goodwill in the *sports apparel* relied upon by the cancellation applicant. I also note for completeness, that I also consider the evidence sufficient to show goodwill in the UK at the relevant date in respect of *footwear* relied upon by the cancellation applicant under the earlier sign, which has been shown to a more limited extent under the sign in the evidence provided, and I note very significant market share figures have also been provided in respect of footwear in the years leading up to the relevant date.

Misrepresentation

101. In *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, Kitchin LJ considered the role of the average consumer in the assessment of a likelihood of confusion. Kitchen L.J. concluded:

> "… if, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement."

102. Although this was an infringement case, the principles apply equally under 5(2): see *Soulcycle Inc v Matalan Ltd,* [2017] EWHC 496 (Ch). In *Marks and Spencer PLC v Interflora,* [2012] EWCA (Civ) 1501, Lewison L.J. had previously cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that *"a substantial number"* of the relevant public are deceived, which might not mean that the average consumer is confused. However, in the light of the Court of Appeal's later judgment in *Comic Enterprises,* it seems doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes. This is because they are both normative tests intended to exclude the particularly careless or careful, rather than quantitive assessments.

103. I note that under section 5(2)(b) I have already considered and dismissed the possibility of both direct and indirect confusion based on the same marks/signs as I have before me under this ground, even where the goods in question are identical. With consideration to the case law above, I do not believe that the test for misrepresentation can take the cancellation applicant further than the test for a likelihood of confusion in the circumstances. I therefore dismiss the application for invalidation under this ground.

Final Remarks

104. The application for invalidity has been entirely successful based on sections 47(2)(a) and 5(3) of the Act, and subject to any successful appeal, the series of two contested marks will be invalidated in its entirety. It will be as if the contested mark was never granted registration in the first instance.

COSTS

105. The cancellation applicant has been successful and is entitled to a contribution towards its costs. In the circumstances I award the cancellation applicant the sum of £1900 as a contribution towards the cost of the proceedings, in accordance with Tribunal Practice Notice 1/2023. The sum is calculated as follows:

Official fee:	£200
Preparing the TM26(I) and considering the TM8:	£350
Preparing and filing the evidence:	£650
Preparing for and attending the hearing:	£700
Total:	**£1900**

106. I therefore order Marlon Grandison to pay adidas AG the sum of £1900. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 17th day of November 2025

R. Le Breton

For the Registrar