O/1215/24

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION NO. UK00003560084
IN THE NAME OF REFLO SPORTS LTD
FOR THE FOLLOWING TRADE MARK:

IN CLASS 25

AND

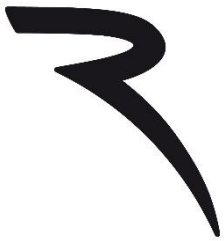
AN APPLICATION FOR A DECLARATION
OF INVALIDITY UNDER NO. 506094
BY CHERVO' S.P.A.

BACKGROUND AND PLEADINGS

1. On 2 February 2021, REFLO SPORTS LTD ("the proprietor") applied to register the trade mark on the cover page of this decision in the UK ("the contested mark"). The application was published for opposition purposes on 5 February 2021 and registration was granted on 16 April 2021. The contested mark stands registered for the following goods:

   Class 25: Sports clothing; Golf clothing, other than gloves.

2. On 10 May 2023, CHERVO' S.p.A. ("the applicant") sought a declaration of invalidity against the contested mark under section 47 of the Trade Marks Act 1994 ("the Act"). The application is based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Act. In respect of the section 5(2)(b) and 5(3) grounds, the applicant relies on the following mark:



   UK registration no. 911064425[1]
   Filing date 24 July 2012; registration date 8 February 2014
   Relying on some goods, namely:

   Class 25: Clothing, shoes, headgear, including goods included in this class for playing sport, including golf and skiing.

   ("the applicant's mark").

[1] The applicant's mark is a comparable mark based upon an earlier EUTM. On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with existing EUTMs. These comparable marks enjoy the same filing and registration dates as their European counterparts.

3. Under the section 5(2)(b) ground, the applicant claims that given the high similarity of the parties' marks and the identity/high similarity between the goods at issue, there exists a likelihood of confusion on the part of the public, including a likelihood of association.

4. Under the section 5(3) ground, the applicant claims to enjoy a reputation in the UK in relation to the goods set out above. As a consequence of this reputation and the claimed similarity between the marks, the applicant claims that consumers are likely to link the marks and are likely to believe that the goods under the contested mark are connected with or authorised by the applicant. As such, the applicant argues that use of the contested mark would result in an unfair advantage in favour of the proprietor and would, further, result in a detriment to the repute and distinctive character of the applicant's mark. Lastly, it is claimed that any use by the proprietor of its mark is without due cause.

5. Lastly, under the section 5(4)(a) ground, the applicant relies on an unregistered sign that is identical to the mark it has relied upon under its section 5(2)(b) and 5(3) grounds. The applicant claims to have used this sign throughout the UK since 2003 and in respect of goods identical to those relied upon under the aforementioned grounds. As a result of the use of its sign, the applicant claims that it has accrued goodwill in the UK and that the mark and sign at issue are confusingly similar. Therefore, it is claimed that use of the contested mark would undoubtedly amount to a misrepresentation, leading the public to believe that the parties' goods are somehow connected. The applicant claims that this misrepresentation would damage its business by way of a loss of sales, injury to its reputation and injury as a result of dilution of the applicant's goodwill. As a result of these factors, the applicant argues that the contested mark is contrary to the law of passing off.

6. The proprietor filed a counterstatement wherein it made a series of denials as to the claims made against it. While it is noted that the proprietor did make a

concession as to the identity or similarity of the goods at issue, such a concession does not automatically result in identity or similarity of the goods at issue because the proprietor has elected to put the applicant to proof of use for its mark. Therefore, even if use is proven it may be the case that the specification relied upon is amended as a result of a fair specification assessment. As such, the comparison of goods I am required to make may not reflect the specification upon which this concession is based. I will consider this point further below where necessary.

7. The applicant is represented by Appleyard Lees IP LLP and the proprietor is represented by Novagraaf UK. Both parties filed evidence in chief with the applicant also electing to file evidence in reply. It is also noted that alongside its evidence in chief, the proprietor also filed written submissions. No hearing was requested and both parties filed written submissions in lieu of the same. This decision is taken after careful consideration of the papers.

8. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

EVIDENCE

9. The applicant's evidence came in the form of the witness statements of Mr Manfred Erlacher dated 6 October 2023 and 28 February 2024, the latter being that which was filed in reply. Mr Erlacher is the co-founder and Chief Executive Officer of the applicant, a position he has held since 19 January 1981. Mr Erlacher's first statement is accompanied by 13 exhibits, being those labelled ME1EX1 to ME1EX13, and was filed to demonstrate the applicant's use of its mark as well as to support its claims to enjoy a reputation and goodwill. His second statement is

accompanied by a further seven exhibits, being those labelled ME2EX1 to ME2EX7, and was filed in response to several points raised by the proprietor during the evidence in chief round.

10. The proprietor's evidence came in the form of the witness statement of Mr Luke David Portnow. The evidence itself is undated but I note that it was filed on 29 December 2023. Mr Portnow is a Chartered Trade Mark Attorney with the proprietor's legal representative and is, therefore, duly authorised to file evidence on the proprietor's behalf. Mr Portnow's evidence is accompanied by four exhibits, being those labelled LDP1 to LDP4, and was filed to demonstrate that it is common for undertakings in the clothing sector (especially sports clothing) or other goods in the golfing world to drop the stem of a letter 'R' in their trade marks.

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

PRELIMINARY ISSUES

EUIPO Decisions.

12. I note that the applicant's evidence in reply contains copies of two EUIPO decisions wherein two different figurative 'R' marks (both of which missing their stems) were found to be aurally identical and visually similar to the applicant's own mark. Those decisions both resulted in a finding that there exists a likelihood of confusion between the marks. While I have considered these decisions, they are not relevant to the decision I must make here. I say this for two reasons. First, the marks at issue in the EUIPO decisions are not the same as the mark that is at issue here. Second, I am not bound by decisions of the EUIPO and, instead, my decision is to be based on a multifactorial assessment of the relevant factors before me in the

present case. Those factors do not include the existence of cases in other jurisdictions.

13. For the avoidance of doubt, I will say no more about the EUIPO decisions.

The proprietor's evidence.

14. As set out above, the proprietor has filed evidence to prove that it is common for undertakings in the clothing sector that use a letter 'R', to drop its stem. While this evidence is noted, I do not consider that it has any relevance to these proceedings. I say this for a number of reasons. My primary issue is that the proprietor has only provided two examples of this practice taking place, being the brand 'RAPSODO'[2] and the brand of one Rick Shiels, who uses the letters 'RS' in his branding.[3] In my view, in order to demonstrate that the practice of dropping the stem in a letter 'R' is one that is common in the marketplace, I would expect more than two examples. As such, this evidence is of very limited value in proving that something is commonplace. In any event, the evidence is undated and I have nothing to suggest that the printouts provided were from prior to the filing of the present application for invalidity. On this point, I note that one Instagram post showing the 'RAPSODO' brand is dated 29 September but it is not stated what year.[4] Without confirmation of this, I am only willing to conclude that it was from 2023. In addition, the evidence relating to RAPSODO does not appear to be directed at the UK market and neither is there anything to suggest the presence of either of these brands on the marketplace. I appreciate that Rick Shiels may be a popular creator of golf content videos on social media, however, there is nothing to suggest any level of sales that his brand has achieved.

[2] See LDP1 which shows a branding that has not removed the stem outright but, instead, has replaced it with another device element.
[3] LDP2 and LDP3
[4] See page 2 of LDP1

15. Taking all of the above into account, I find that the proprietor's evidence is of no assistance and I will, therefore, say no more about it.

DECISION

16. Sections 5(2)(b), 5(3) and 5(4)(a) of the Act all have application in invalidation proceedings because of the provisions of section 47 of the Act, which states as follows:

> "47. –
>
> […]
>
> (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.
>
> (2ZA) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 5(6).
>
> (2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if –

(a) the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with their consent in relation to the goods or services for which it is registered-

(i) within the period of 5 years ending with the date of application for the declaration, and

(ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) 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.

(2D)-(2DA) [Repealed]

(2E) 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.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)

(2G) An application for a declaration of invalidity on the basis of an earlier trade mark must be refused if it would have been refused, for any of the reasons set out in subsection (2H), had the application for the declaration been made on the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application.

(2H) The reasons referred to in subsection (2G) are-

(a) that on the date in question the earlier trade mark was liable to be declared invalid by virtue of section 3(1)(b), (c) or (d), (and

had not yet acquired a distinctive character as mentioned in the words after paragraph (d) in section 3(1));

(b) that the application for a declaration of invalidity is based on section 5(2) and the earlier trade mark had not yet become sufficiently distinctive to support a finding of likelihood of confusion within the meaning of section 5(2);

(c) that the application for a declaration of invalidity is based on section 5(3)(a) and the earlier trade mark had not yet acquired a reputation within the meaning of section 5(3).

(3) […]

(4) […]

(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."

Proof of use

17. The submissions filed by the proprietor during these proceedings appear to focus its discussion on the evidence in light of the section 5(3) and 5(4)(a) grounds. I note at paragraph 34 of the submissions filed alongside its evidence that the proprietor offered the following comments in respect of the applicant's evidence:

> "perhaps very well may satisfy the minimum criteria for proof of use, but the evidence submitted is not proof of reputation, and it also does not evidence that the Earlier Mark enjoys enhanced distinctive owing to such use and/or reputation"

18. While the above is noted, in filing its submissions in lieu of a hearing, at paragraph 2, the proprietor submitted that:

> "It was admitted that the Applicant for Cancellation has appeared to manufacture and offer for sale at least a jersey t-shirt and a wind and rain resistant jacket bearing the Earlier Mark, however, based on its own research the Proprietor could not admit or deny that the Earlier Mark has been genuinely used in the United Kingdom in the last five years."

19. In commenting on the evidence further at paragraph 10 of its submissions in lieu, the proprietor submitted that "evidence of use of the Earlier Mark is minimal."

20. It may very well be the case that the proprietor's comments as to the applicant's evidence may be construed as an acceptance that there is some genuine use of its mark. However, in my view, the proprietor's messaging on this issue is not entirely consistent to the point that it can categorically be taken as a concession as to genuine use. As such, I will proceed to consider the genuine use assessment in the ordinary way.

21. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

> "(6)(1) In this Act an "earlier trade mark" means –
>
> (a) a registered trade mark or international trade mark (UK) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,
>
> (aa) a comparable trade mark (EU) or a trade mark registered pursuant to an application made under paragraph 25 of Schedule 2A which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired;
>
> (ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired.
>
> […]
>
> (2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

22. Section 100 is also relevant, which reads:

"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."

23. The applicant's mark qualifies as an earlier trade mark under the above provisions because it was applied for prior to the filing date of the contested mark. As it completed its registration process over five years prior to (1) the filing date of the contested mark and (2) the date of the application at issue, it is subject to the use provisions. As set out above, the proprietor requested that the applicant provide proof of use in respect of its mark. Therefore, the applicant's mark is subject to proof of use.

24. Given that the applicant's mark is a comparable mark, paragraph 8 of part 1, schedule 2A is relevant. It reads:

"8.— Non-use as defence in infringement proceedings and revocation of registration of a comparable trade mark (EU)

(1) Sections 11A and 46 apply in relation to a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the period of five years referred to in sections 11A(3)(a) and 46(1)(a) or (b) (the "five-year period") has expired before [IP completion day]—

(a) the references in sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in sections 11A and 46 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 sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark, are to be treated as references to the corresponding EUTM; and

(b) the references in sections 11A and 46 to the United Kingdom include the European Union".

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

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

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

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

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

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

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to

create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

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

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

26. As per section 47(2B) of the Act (cited above), the relevant periods for the present assessment are the five-year periods prior to the filing date of the contested mark

(being 2 February 2021) and the date of the application at issue (being 10 May 2023) The relevant periods are, therefore, 3 February 2016 to 2 February 2021 ("the first relevant period") and 11 May 2018 to 10 May 2023 ("the second relevant period"). Given there is a significant overlap of the relevant periods, my assessment of the evidence for proof of use will be directed to the evidence that relates to use between 3 February 2016 and 10 May 2023.[5]

27. Proven use of a mark which fails to establish that "the commercial exploitation of the mark is real" because the use would not be "viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services protected by the mark"[6] is not, therefore, genuine use.

Evidence of use

28. It is noted that in its submissions, the proprietor has raised a number of issues in respect of the applicant's evidence. While these submissions are noted and have been duly considered, the issue as to proof of use is based upon my own assessment of the evidence whilst bearing in mind the relevant legislation and case law. I will, therefore, refrain from commenting on the proprietor's submissions throughout the following summary of the evidence.

29. The evidence begins with information regarding the background of the applicant's brand. Briefly, the evidence confirms that the applicant was founded in 1981. The history of the brand is set out in greater detail via a printout from the applicant's UK website, being 'chervo.com/uk-en/about-us'.[7] It is noted that this printout only refers to the applicant's brand as 'Chervo' and there is no discernible use of the applicant's mark on this website.

[5] For the avoidance of doubt, as the issue of reputation and goodwill (which will be relevant below) are not constrained by a relevant period, I will also include any evidence here that originates from before the relevant periods.
[6] *Jumpman*, Case BL O/222/16
[7] ME1EX1

30. The applicant sets out that it has supported some of the best golf professionals to compete at the highest level. The evidence lists both professional and amateur golfers that it sponsors. Some of these sponsorships are shown in evidence[8] but it is noted that some of them refer to 'Chervo' as the relevant brand and even where the applicant's mark is shown on clothing worn by the golfer, there is nothing to suggest the reach of the sponsorship. For example, there is one printout of an Instagram post that shows the applicant's branding on a golfer named Fabienne In-Albon.[9] This is dated 7 November 2018 but its reach is seemingly limited by way of just 110 likes. Further, there is nothing to suggest where the event shown in the photograph took place and neither is there anything to show whether the users who liked the post were from within the UK or the EU.

31. The evidence sets out that the applicant has continuously and extensively used its mark in the UK and the EU on clothing, footwear, headgear and related sporting goods and accessories since 2002. The sales in the UK are confirmed as being done so via an agent named Tim Greenwood and via its own eCommerce stores. In addition, a number of third-party retailers are listed which include general online Golf retailers as well as a list of different golf club shops from across the UK and other countries within the EU (such as France, Spain, Austria, Germany, Denmark, Poland and Finland). While the claim to have generated sales in the UK and the EU since 2002 is noted, the only evidence of sales (which is provided later in the evidence) is from between 2016 and 2021 only.

32. Examples of the goods sold during the relevant periods are provided by way of screenshots of the applicant's website and third-party golf retailers. These printouts were obtained from the internet archive facility, the Wayback Machine, and are dated between 17 February 2016 and 16 January 2021. Some of the printouts are from the applicant's Italian based website but some show goods listed for sale in

[8] ME1EX2
[9] See page 5 of ME1EX2

British pounds. The goods shown are a range of golf clothing items such as polo shirts, t-shirts, jumpers, dresses, cardigans and hats, amongst others. In respect of the mark shown on the goods, I note that a number of them show use of the applicant's mark whereas some show the word 'Chervo' in full.

33. In further support of the goods the applicant sells are a number of 'look books' from Spring/Summer 2016 to Spring/Summer 2021.[10] There are approximately 100 pages of catalogue evidence filed and it is not appropriate for me to discuss the entirety of them here. However, what I do note from reviewing these catalogues is that they cover a wide range of golf clothing goods such as polo shirts, leggings, trousers, jackets, jumpers, hats and shorts. As for branding, the catalogues all include the wording 'CHERVO' on their cover pages and on some of the goods shown. That being said, I note that the goods shown cover a wide range of those that do include the applicant's mark. For illustrative purposes, the goods showing the applicant's mark, for the most part, appear as follows:

34. While I appreciate the use of the word 'CHERVO' in the label of the product shown above and to the left, the use of the applicant's mark is clear on the front of the polo shirt.

[10] ME1EX4

35. The evidence then turns to discuss the turnover that the applicant has achieved between 2016 and 2021 in both the UK and the EU. This is provided in table form and I reproduce that in full below.

Year	Clothing items sold in the UK	Turnover related to clothing (UK)	Turnover related to clothing (EU)
2016	4,119	£147,113	€3,961,830
2017	3,042	£131,097	€5,333,291
2018	2,135	£84,157	€4,807,630
2019	1,996	£83,828	€5,160,971
2020	2,486	£102,801	€4,897,603
2021	2,289	£93,441	€5,833,055

36. The figures provided above are simple annual figures and given the placement of the relevant periods within those years, it is not possible for me to accurately determine what figures from those years are relevant to my assessment. In considering this point, I note that the first relevant period began on 3 February 2016 meaning that only a small proportion of sales from 2016 will have likely accrued before then. Given that this is only one month into the year, I consider it reasonable to include the 2016 figures in full. In addition, the first relevant period ended on 2 February 2021 meaning that it is likely that the majority of the figures for 2021 accrued after the end of that period. Given that 10 months of the 2021 figures are from after the first relevant period, I consider it appropriate to discount the 2021 figures entirety from any calculation of the first relevant period.

37. A similar issue applies for the second relevant period in that it began in May 2018 so figures prior to that date will not be relevant to that period. That being said, I do not consider it appropriate to discount the 2018 figures from my calculation of the second relevant period so I will include them in full. However, the fact that some of the 2018 figures are not relevant here is something that I must bear in mind going forward. On the point of the second relevant period, I will also say that the EU

figures for 2021 are wholly irrelevant here as EU use ceased to be relevant to proceedings before the Tribunal immediately after IP Completion Day (being 31 December 2020).

38. The total sales figures stand at 16,067 goods sold in the UK. However, bearing in mind what I have said in the two preceding paragraphs, I have calculated that only 13,778 of those sales relate to the first relevant period and 8,906 during the second. In respect of turnover, this stands at £642,437 for the UK and €29,994,380 for the EU. However, insofar as the turnover relates to the first relevant period, the turnover sits at £548,996 for the UK and €24,161,325 for the EU.[11] For the second relevant period, the turnover sits at £364,227 for the UK and €14,866,204 for the EU.

39. In support of the above turnover figures, I note that approximately 70 pages of sample invoices showing sales to various retailers in the UK are provided in evidence.[12] I do not intend to summarise these invoices here but note that they cover a wide range of goods and are dated between 30 March 2016 and 15 March 2021.

40. In terms of promotion, the applicant refers to various events that took place in the UK and Europe during the relevant periods, being the Peter Fill Trophy in 2017, the Warsaw Open Ladies Golf Cup in 2017 and the Peter Fill Event in 2018. Photographs and promotional materials for these events are provided in evidence in the form of social media posts.[13] While these efforts are noted, the sponsorship appears to refer to the 'Chervo' brand. I note the only appearance of the applicant's mark comes in a photograph relating to the Peter Fill Trophy in 2017.[14]

[11] Regardless of when the relevant periods end, the 2021 figures for the EU are not relevant here because they stem from after IP Completion Day.
[12] ME1EX5
[13] ME1EX6
[14] See page 202 at ME1EX6

41. While on the topic of promotion, I note that the applicant has provided a breakdown as to its total advertising spend across the UK and the EU between 2016 and 2021. This is as follows:

Year	**Total advertising spend (€)**
2016	1,189,118
2017	1,112,865
2018	1,024,437
2019	930,860
2020	822,388
2021	865,921
Total:	5,945,589

42. In respect of these figures, I wish to discuss the fact that the evidence as a whole (especially the turnover), appears to have a significant focus on the EU. Therefore, without any breakdown to suggest otherwise, I consider that the advertising spend is likely to be dominated by efforts in relation to EU advertising. As such, my calculations here have discounted the 2021 figures as (1) the UK spend is likely to be minimal and (2) any spend in the EU ceased to be relevant after IP Completion Day. As a result, I consider that the advertising spend during the first relevant period stood at €5,079,668 and, for the second, it stood at €2,777,685.

43. Examples of the applicant's presence across a number of different press articles during the relevant periods are shown in evidence.[15] While noted, I do not consider this evidence to be particularly extensive as it covers just two articles from 'Bunkered' and 'Women & Golf'. I appreciate that some of the goods shown in these articles bear the applicant's mark, however, no evidence is provided as to the reach of these publications across the relevant territory. All of this being, such evidence is, when taken together with the advertising spend above, clearly

[15] ME1EX7

demonstrative of a sufficient effort by the applicant to spread awareness of its brand.

44. Social media evidence is then discussed. The applicant has provided printouts from its Facebook and Instagram accounts.[16] I have my issues with this evidence in that they do not necessarily point to a significant following. I say this because they show 25,800 followers on Instagram and 26,000 followers with 26,000 likes on Facebook. While not negligible, they are not overly significant, especially when you consider that the printouts confirming these figures are dated 27 September 2023, being after the conclusion of the relevant periods. Therefore, it is not possible for me to determine what the follower numbers would have been as at the end of each relevant period. Further, given the international nature of social media accounts, I am unable to determine whether these followers were from within the relevant territories.

45. What is provided in respect of the applicant's social media exposure, however, is evidence of the reach of these accounts between 1 September 2020 and 31 December 2021.[17] I will not reproduce the entirety of this evidence; however, I note that in Italy, the applicant's social media accounts reached 3,423,032 unique users with a total of 11,858,343 impressions. As for France, these accounts reached 1,118,477 unique users with a total of 2,965,085 impressions. Lastly, in respect of the UK, the accounts reached 317,516 unique users with a total of 654,111 impressions. In considering these figures, I will bear in mind the fact that the first relevant period concluded in February 2021 (being just five months after the beginning of the catchment period for these figures) and that the EU use ceased being relevant on 31 December 2020.

[16] ME1EX8
[17] Page 215 at ME1EX8

46. Before moving on from the topic of social media, I note that separate printouts from the applicant's social media accounts have been provided.[18] The printouts themselves are from outside the relevant periods but posts are shown from within them that show clothing goods bearing the applicant's mark.[19]

47. Evidence is also provided in respect of users in the UK who accessed the applicant's website. Between 1 January 2017 and 31 December 2021, the applicant's website was visited by 75,346 users over a total of 118,282 internet browser sessions. Evidence from Google Analytics in support of this is provided.[20] In respect of this evidence; I again remind myself that the first relevant period concluded in February 2021.

48. Turning to consider the applicant's evidence in reply, I will discuss this briefly. I do so because a lot of the evidence filed does nothing to advance the applicant's position. For example, there is a range of evidence relating to sponsored golfers but there is nothing to suggest the level of awareness these golfers have amongst the relevant public. I appreciate that they participate in well-known events on the European Tour (both the mens' and ladies' version). However, there is nothing to suggest that consumers would be aware of these golfers on the tours to the point that they would readily identify their sponsors.

49. The evidence in reply that I consider of relevance here relates to the circulation of the catalogues I have discussed at paragraph 33 above. I note that the applicant has provided distribution figures for these. I will not repeat this evidence in full but note that the applicant printed, for distribution, approximately 37,000 catalogues for distribution in the EU and 3,700 catalogues for distribution in the UK only.

[18] ME1EX10
[19] See, for example, pages 225 and 226 of ME1EX10
[20] ME1EX9

Assessment of the evidence

50. As set out above, the proprietor provided detailed submissions in respect of the applicant's evidence. I repeat what I have above in that I do not intend to discuss it in its entirely. However, I will say briefly that I consider that a lot of this is unfounded. As an example, I refer to the fact that the proprietor claims at paragraph 29 of its submissions filed during the evidence round that there is a lot of evidence that relates to the 'CHERVO' brand and not the applicant's mark. As such, the proprietor claims that the applicant's evidence is not very clear or consistent. Having conducted a detailed review of the evidence myself, I consider that it is clear that the applicant does sell a wide range of goods that bear the mark relied upon here. I accept that the goods sometimes show the 'CHERVO' branding and that the labels of the goods are also likely to refer to such branding. However, where the goods themselves are emblazoned with the applicant's mark (of which there are many), this constitutes valid use of the same.

51. In considering the evidence as a whole, I am satisfied that it demonstrates genuine use of the applicant's mark. In making this finding, I appreciate that the level of sales either in the UK or the EU at large are not particularly high when considered in line with the likely size of the relevant market for golf clothing.[21] However, in my view an approximate total EU turnover of €24 million during the first relevant period and €14 million during the second are clearly still significant figures, regardless of the size of the market. While the UK use may be considerably lower, being £550,000 for the first relevant period and £360,000 for the second, they are still demonstrative of a genuine attempt to create and preserve a market share in that territory. This is also supported by the fact that the applicant has also made a genuine attempt to promote its mark by incurring a total advertising spend of approximately €5 million across the entirety of the relevant territories for the first relevant period and €2.7 million during the second. In respect of the advertising

[21] I appreciate I have no evidence as to the size of the relevant market; however, I consider it one that is likely to attract a high volume of sales and turnover on an annual basis.

point, I will say that while I do not consider the evidence of sponsoring golfers to be particularly compelling, it is clear to me that the efforts of sponsoring golfers, regardless of how well-known those golfers are, represents a genuine attempt by the applicant to expand its brand.

52. In respect of the goods relied upon, I remind myself that the applicant has relied on the following as the basis of its opposition:

Class 25: Clothing, shoes, headgear, including goods included in this class for playing sport, including golf and skiing.

53. While I appreciate that hats appear throughout the evidence, I am of the view that they are not technically items of clothing. Given that the turnover provided by the applicant expressly covers clothing only, [22] I am of the view that the turnover provided cannot be said to extend to headgear, or shoes for that matter. As such, and for reasons that will become obvious when comparing the goods of the parties, I do not consider it necessary to consider the issue in respect of shoes or headgear.

54. I remind myself that the applicant's evidence covers a wide range of different types of clothing goods, all for use during golfing. This includes polo shirts, t-shirts, jumpers, cardigans, trousers, leggings, shorts, skirts, dresses and jackets. In considering this point, I am of the view that the applicant's term is a very general term that covers a very wide range of goods. While noted, I remind myself that, as per the case of *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), it is not necessary for an owner of a mark to prove use for all possible variations of the particular goods covered by its registration in order to be granted a fair specification for a general term. Instead, *Titanic Spa* directs me to consider the question of how the average consumer would fairly describe the goods in relation for which the mark

[22] This is confirmed in the table that provided the turnover figures.

has been used. When applying this question to the use shown before me, I am of the view that it is quite clear that when the average consumer is confronted by the applicant's use, they would fairly categorise it as "golf clothing". This is a suitable subcategory of the term relied upon and, in my view, reflects a fair specification that accurately reflects the applicant's use of its mark. It is upon this term that the opposition under section 5(2)(b) (and 5(3), for that matter) will proceed.

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

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

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

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

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

57. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer*

Inc, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V*. Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) ("OHIM")*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a

composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

58. I have set out above that in its counterstatement, the proprietor accepted that the goods at issue were identical or similar. It could be argued that in light of my limiting of the applicant's specification that this concession no longer applies. Whether it is or not is, essentially, immaterial and I say this because the goods at issue are plainly identical. Given the brevity of the terms at issue, I can deal with this briefly.

59. The goods in the proprietor's specification are "sports clothing" and "golf clothing, other than gloves". As the applicant's specification survived for "golf clothing", it is plainly self-evidently identical with the latter term of the proprietor. As for the former

term, golf is a type of sport meaning that the applicant's more limited term of "golf clothing" can be said to fall within the scope of the proprietor's "sports clothing". In light of the principle laid out by the General Court ("GC") in the case of *Gérard Meric v Office for Harmonisation in the Internal Market,* Case T- 133/05,[23] this means that the goods are still capable of being identical with one another.

The average consumer and the nature of the purchasing act

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

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

61. In my view, the average consumer for the goods at issue will be members of the general public at large. The goods at issue will be available via various types of retailers such as general, sports or golf retailers. Regardless of the retailer, the goods at issue will be displayed on shelves or racks and self-selected by the consumer. In addition, the goods at issue will also be available via these retailers'

[23] See paragraph 29.

online equivalents where they will be displayed on webpages and will be selected by the consumer after having viewed an image of the products. In my view, the visual aspect will dominate the selection process, however, I do not discount the aural component playing a role by way of word-of-mouth recommendations or after discussions with sales persons.

62. It is my understanding that the goods at issue will be moderately priced and selected with a fair degree of frequency. Turning to the level of attention paid, I am of the view that the goods at issue will attract a medium degree of attention based on the fact that the consumer, when selecting clothing goods, is likely to consider factors such as style, fit and materials used.

Distinctive character of the applicant's mark

63. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the Court of Justice of the European Union ("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)."

64. Registered trade marks possess varying degrees of inherent distinctive character, perhaps lower where a mark may be suggestive or allusive of a characteristic of the goods or services for which it is registered, ranging up to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it. In the present case, the applicant has not expressly pleaded that its mark enjoys an enhanced degree of distinctive character. However, it has filed evidence of use and I will consider whether this is sufficient to give rise to a finding of enhanced distinctive character. Before doing so, however, I will first consider the inherent position.

65. I note that the parties have differing positions in respect of the applicant's mark. The applicant's position is that its mark will be viewed as the letter 'R' without its stem. On the contrary, the proprietor argues that the applicant's mark is, clearly, not a letter 'R'. I appreciate that it would be possible to conduct a detailed analysis of the structure of the mark in order to determine whether it would be seen as a letter 'R' or not. However, this is not what an average consumer would do. Instead, upon taking a step back and looking at the mark from the average consumers' perspective, I am of the view that a significant proportion of them would see the mark as representing a letter 'R'. While I accept that an equally significant proportion of consumers would not see the letter 'R', I remind myself of the case of *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 wherein Kitchin LJ said that where a significant proportion of consumers are

confused then a court may proceed to find infringement.[24] Therefore, it is upon these consumers that I will focus my assessment of the applicant's mark throughout the remainder of my decision. I do so because (1) this clearly represents the applicant's best case and (2) it follows that if these consumers are confused then the position with the remaining consumers is not relevant. Alternatively, if they are not then I do not consider that the position in respect of the remaining consumers would put the applicant in any better position.

66. While the single letter 'R' will not be descriptive or allusive when considered on the goods at issue, it is just one letter of the English alphabet. Given that there is a propensity for many undertakings to adopt letters as indicators of trade origin, I do not consider that the letter 'R' is particularly distinctive in the minds of average consumers. As such, and even though it is the element that can be read, I do not consider that the 'R' would play the dominant role in the mark. Instead, I consider that the distinctive character of the mark lies equally in the particular graphic representation of the letter and the letter itself. Bearing this in mind but also reminding myself that the mark is not descriptive or allusive of the goods at issue, I am of the view that the applicant's mark enjoys a medium degree of distinctive character.

67. In respect of an enhanced degree of distinctive character, I remind myself that I have summarised the applicant's evidence of use when considering the proof of use assessment at paragraphs 28 to 49 above. While proof of use is constrained to just the relevant periods at issue, an assessment of enhanced distinctive character is not. That being said, the above summary of the evidence filed represents the entirety of the evidence of use before me. In addition, I remind myself that use of the applicant's mark in the EU was relevant to the issue of proof of use. However, that is not the case here because an assessment of an enhanced

[24] I note that this principle was handed down in respect of an infringement case, however, it equally applies to section 5(2)(b) grounds before the Tribunal.

degree of distinctive character is based on the perception of the consumer in the UK. As such, only the UK use is of relevance.

68. I do not intend to repeat my evidential summary here but remind myself that the total turnover achieved by the applicant's brand between 2016 and 2021, stood at £642,437. In addition, by this time, the applicant's evidence sets out that it sold 16,067 goods in the UK. I also remind myself that the advertising spend stood at €5.9 million for this same time period. However, I note that this covered the UK and EU and given the size of the applicant's impact in Europe when compared to the UK, it is clear that the majority of this spend would have related to the EU and not the UK. Therefore, I consider that only a small fraction of this spend can be said to cover the UK. As for social media evidence, this is noted but, again, is somewhat limited. Lastly, I appreciate that the evidence filed claims that use began in the UK in 2002 but there is no actual evidence of use prior to 2016. I say this on the basis that the turnover and sales figures, invoices, marketing materials and advertising spend all stem from 2016 onwards. Therefore, I do not consider that the applicant has proven that the use of its mark has been particularly longstanding.

69. Taking all of the evidence into account, I do not consider that it is sufficient to give rise to a finding that the applicant's mark had become known to consumers in the UK to the point that it can be said that its distinctiveness had been enhanced. Therefore, I find that the inherent position applies.

Comparison of the marks

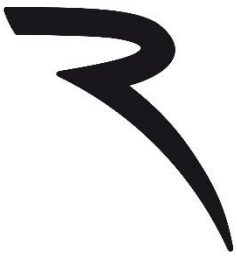
70. It is clear from *Sabel v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components.

71. 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."

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

73. The respective trade marks are shown below:

The applicant's mark	The contested mark
	

74. I have submissions from both parties in respect of the comparison of the marks at issue. I do not intend to repeat those in full here but note that the majority of them stem from the parties' position regarding the perception of the marks (namely whether the applicant's mark is a letter 'R', or not). I have discussed this point

above and have proceeded on the basis that a significant proportion of consumers would see it as a letter 'R'. This approach remains here.

75. For the avoidance of doubt, I can confirm that I have given due consideration to the parties' submissions and I have taken them into account when making the following comparisons.

Overall Impression

76. The applicant's mark will be perceived as a letter 'R' presented in a stylised manner. I consider that the stylisation of the letter is fairly striking and, as such, it will play an important role in the overall impression of the mark. While it is the letter 'R' that will be read by consumers, I consider that consumers will look beyond the use of one single letter when considering the applicant's mark. As a result, I consider that the letter 'R' and the way in which it is stylised will contribute equally to the overall impression of the mark.

77. The contested mark is a figurative mark that consists of two elements. The first is that which sits at the centre of the mark and is one that will, in my view, be immediately perceived as a letter 'R', albeit without its stem. Surrounding this element are three arrow shapes that are curved and have combined to form the impression of a slightly incomplete circle. In my view, this acts as the border element. While the presentation of the letter 'R' and the border element are fairly ordinary, I am of the view that the presentation of the mark still contributes to its overall impression. This is because, as was the case with the applicant's mark, I consider that consumers will look beyond the use of one simple single letter when viewing the mark. As a result, I consider that all of the elements will combine equally to contribute to the overall impression of the contested mark.

Visual Comparison

78. While the marks may share the same letter, the comparison I must make is not simply to compare the letter 'R' against the letter 'R'. In respect of this point, I refer to the case of *The Royal Academy of Arts v Errea Sport S.P.A.*, (BL O/010/16) wherein Iain Purvis Q.C., sitting as the Appointed Person, set out that:

> "I do not have any difficulty with the notion […] that two representations of the same thing may have no visual similarity. In the world of art, the visual representation of a horse in Picasso's Guernica has little or nothing in common with the visual representation of a horse in one of George Stubbs' portraits. I do not think it unreasonable to say that they have no visual similarity, whilst having some limited conceptual similarity (they are both paintings of horses)."

79. While the comparison I must make here is not the same as comparing paintings of horses by Picasso and Stubbs, I do consider that the comments of Mr Purvis Q.C. remain relevant to the assessment I do have to make.

80. In comparing the marks, the letters are clearly distinct in how they are presented. Both letters may have omitted to include the stem of the letter 'R', however, they are stylistically rather different. The letter 'R' in the contested mark is somewhat ordinary whereas the letter 'R' in the applicant's mark is more heavily stylised in that it is presented at an angle and, in my view, appears somewhat distorted. In addition, the contested mark consists of a border element that will act as a point of visual difference. Taking all of this into account but also bearing in mind the outcomes as to visual similarity between single letter marks in the case of *Maurice Emram v OHIM,* Case T-187/10,[25] I am of the view that the marks are visually similar to a low degree.

[25] In this case, I note that two graphically different depictions of the letter 'G' were found to be lowly similar from a visual perspective.

Aural Comparison

81. Aurally, both marks will be pronounced as the letter ‘R’. They are, therefore, aurally identical.

Conceptual Comparison

82. The applicant states that the concept of both marks derives from the letter ‘R’ and, therefore, it argues that they are conceptually identical. While I accept that the concepts of the marks lie in their single letters, those letters do not carry any meaning to consumers beyond the fact that they are letters of the alphabet. Given that the letter in the marks does not carry any immediately graspable concept, the position in respect of the marks at issue is that they are conceptually neutral.

Likelihood of confusion

83. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the applicant’s mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

84. In considering the issue of confusion, I also refer to the case of *New Look Limited v OHIM,* joined cases T-117/03 to T-119/03 and T-171/03, wherein the GC stated that:

> "49. However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs."
>
> And
>
> "50..... Generally in clothes shops customers can themselves either choose the clothes they wish to buy or be assisted by the sales staff. Whilst oral communication in respect of the product and the trade mark is not excluded, the choice of the item of clothing is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior to purchase. Accordingly the visual aspect plays a greater role in the global assessment of the likelihood of confusion."

85. I have found the goods at issue to be identical. I have found the average consumer for the goods to be members of the general public at large who will select the goods

with primarily visual considerations (though I do not discount the aural component) and having paid a medium degree of attention. In respect of the similarity of the marks at issue, I have found them to be visually similar to a low degree, aurally identical and conceptually neutral to one another. Lastly, the applicant's mark is inherently distinctive to a medium degree.

86. Taking all of the above into account and even bearing in mind the principle of imperfect recollection, I am of the view that the visual differences between the marks are such that they will enable the consumer to accurately recall the marks for one another. While consumers will notice that the parties share use of the same single letter, this is not particularly distinctive from a trade mark perspective and, as such, consumers will pin their recollection on the visual differences between the marks, especially in light of the weight that aspect plays in the selection process for the goods at issue (see *New Look*, cited above). In addition, I remind myself that the goods at issue are not casual purchases and will, instead, attract a medium degree of attention that will, in my view, further emphasise the differences between the marks. Lastly, I will say that if it was the case that use of the same letter in a completely different style was sufficient to give rise to direct confusion, this would offer far too broad a scope of protection to marks that are registered for single letters, regardless of their stylisation. Consequently, I find that there exists no likelihood of direct confusion between these marks, even when viewed on identical goods.

87. I now turn to consider indirect confusion. In doing so, I remind myself of the case of *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, wherein Mr Iain Purvis Q.C., as the Appointed Person, explained that:

> "16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the

other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: 'The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark'.

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

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

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

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

88. Further, I note the case of *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, wherein Arnold LJ referred to the comments of James Mellor Q.C. (as he then was), sitting as the Appointed Person in *Cheeky*

Italian Ltd v Sutaria (O/219/16), where he said at paragraph 16 that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

89. In the present case, the applicant has argued that there exists a likelihood of confusion but has not expressly stated why it considers that this would occur. On this point, I note that its submissions set out the following:

> "Even if the marks are not directly confused with one another, there is a likelihood of confusion arising from the fact that the average consumer, although aware of the differences between the marks, will nevertheless assume that the goods of the Registered Proprietor derive from the Cancellation Applicant, or at the very least, from economically linked undertakings."

90. While the categories from *L.A. Sugar* that I have reproduced above are not exhaustive examples of instances wherein indirect confusion could occur, I am of the view that if any additional scenarios were to exist in the present case, it is for the applicant to argue as such. As per its submissions above, it has clearly not done so. On this point, I will say that I do not consider that it is appropriate (or fair to the proprietor) for me to construct the applicant's case on its behalf. As no additional instances of indirect confusion have been put forward, I will only consider those categories set out in *L.A. Sugar* above.

91. In considering category (a) of *L.A. Sugar*, I remind myself that the applicant has failed to demonstrate that its mark enjoys a level of enhanced distinctiveness. Instead, the inherent position of a medium degree of distinctiveness applies. Even if it could be said that the distinctiveness of the mark lies solely in the letter 'R', I do not consider that the shared use of this single letter across both parties' marks can be said to be so strikingly distinctive that consumers would associate the use

of the single letter ‘R’ to the applicant. On the contrary, I am of the view that consumers would consider the use of a single letter to be coincidental use of a common letter of the alphabet. As a result, I do not consider that category (a) applies.

92. As for category (b), I appreciate that the shared use of the same letter will be noticed, however, I do not consider that the contested mark adds a non-distinctive element to the applicant’s mark in the way suggested by the case law. As such, I do not consider that category (b) is satisfied.

93. Lastly, in considering category (c), I am of the view that the changes between how the marks present their letter ‘R’ are not indicative of a brand extension. I see no reason why the alteration of the stylisation used in a single letter would indicate a brand extension in a similar way to the example given in the case law, i.e. ‘FAT FACE’ to ‘BRAT FACE’. On this point, I remind myself that the way in which the letters in the marks are stylised contributes to the distinctiveness and overall impressions of both marks so without anything suggesting why this alteration would be viewed as a brand extension, I am of the view that it would not. In respect of this point, I have given consideration as to whether consumers would see the marks and consider the different stylings of the same letter, being ‘R’, to be indicative of alternative marks used by the same or economically connected undertakings. Put simply, I see no reason why consumers would believe that the owner of the applicant’s mark, being a mark that uses a more stylistic letter ‘R’ would re-brand itself by altering a distinctive part of its mark to be in line with the more ordinary representation of a letter ‘R’ such as the one used in the contested mark. The same goes for the other way around in that I do not consider consumers would believe the proprietor would alter its mark in favour of the more heavily stylised applicant’s mark. While I appreciate that the shared use of the letter ‘R’ would be noticed, this is just one letter of the alphabet and, if anything, this will only

call to mind the other party's mark. As per the case law, such a connection is mere association and not indirect confusion.[26]

94. While I appreciate that I have set out above that I would restrict my considerations to the categories set out in *L.A. Sugar*, I remind myself of the case of *CHOP LIFE* (BL O/0974/24) wherein Professor Phillip Johnson, sitting as the Appointed Person, set out that a Hearing Officer was entitled to find there might be 'co-branding' even though such an allegation had not been pleaded.[27] I have given brief consideration to such a point here but I see no reason why the consumer would believe that the marks would, in any scenario, be indicative of a co-branding arrangement.

95. Taking all of the above into account and also bearing in mind the comments of Mr Mellor Q.C. and Arnold LJ that I have referred to at paragraph 88 above, I find that there exists no likelihood of indirect confusion between the marks, even when they are viewed on identical goods.

96. As a result of the above, the application reliant upon section 5(2)(b) fails and I will now proceed to consider the section 5(3) ground.

Section 5(3)

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

> "5(3) A trade mark which –
>
> is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the

[26] *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17
[27] I note that this was also given as an example of indirect confusion by Arnold LJ at paragraph 12 of his judgment in *Liverpool Gin* (cited above).

United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark."

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

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

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; 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 Salomon, paragraph 29* and *Intel, paragraph 63.*

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

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there

is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68;* whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79.*

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

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

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

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the holder of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is

clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure).*

99. I remind myself that the applicant relies on the same mark that it did under the section 5(2)(b) ground and in respect of the same goods. At this point, it is necessary to set out that this mark was subject to proof of use, an assessment which is equally relevant to section 5(3) grounds as it is to section 5(2)(b). As a result, given my findings on this point above, the application under this ground may only proceed in reliance upon "golf clothing", being the goods that I have found the applicant to have genuinely used its mark for.

100. The conditions of section 5(3) are cumulative. Firstly, the applicant must show that the marks are similar.[28] Secondly, the applicant must show that its mark has achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the parties' marks will cause the public to make a link between them, in the sense of the earlier mark of the applicant being brought to mind by the contested mark. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

101. Given that the applicant's mark is a comparable mark and because the bulk of the turnover shown has a significant focus on the EU, I consider it necessary to refer, at this point, to the case of *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, wherein the CJEU held that:

[28] Given my findings under the section 5(2)(b) ground, I am satisfied that there is a degree of similarity between them.

“20. By its first question, the national court in essence asks the Court, first, to clarify the meaning of the expression ‘has a reputation in the Community’, by means of which, in Article 9(1)(c) of the regulation, one of the conditions is laid down which a Community trade mark must fulfil in order to benefit from the protection accorded by that provision and, second, to state whether that condition, from a geographical point of view, is satisfied in a case where the Community trade mark has a reputation in only one Member State.

21. The concept of ‘reputation’ assumes a certain degree of knowledge amongst the relevant public.

22. The relevant public is that concerned by the Community trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector (see, by way of analogy, *General Motors*, paragraph 24, with regard to Article 5(2) of the directive).

23. It cannot be required that the Community trade mark be known by a given percentage of the public so defined (*General Motors*, by way of analogy, paragraph 25).

24. The degree of knowledge required must be considered to be reached when the Community trade mark is known by a significant part of the public concerned by the products or services covered by that trade mark (*General Motors*, by way of analogy, paragraph 26).

25. In examining this condition, 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 (*General Motors*, by way of analogy, paragraph 27).

26. In view of the elements of the main proceedings, it is thus for the national court to determine whether the Community trade mark at issue is known by a significant part of the public concerned by the goods which that trade mark covers.

27. Territorially, the condition as to reputation must be considered to be fulfilled when the Community trade mark has a reputation in a substantial part of the territory of the Community (see, by way of analogy, *General Motors*, paragraph 28).

28. It should be noted that the Court has already ruled that, with regard to a Benelux trade mark, it is sufficient, for the purposes of Article 5(2) of the directive, that it has a reputation in a substantial part of the Benelux territory, which part may consist of a part of one of the Benelux countries (*General Motors*, paragraph 29).

29. As the present case concerns a Community trade mark with a reputation throughout the territory of a Member State, namely Austria, the view may be taken, regard being had to the circumstances of the main proceedings, that the territorial requirement imposed by Article 9(1)(c) of the regulation is satisfied.

30. The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community."

Reputation

102. In considering the issue of a reputation, I rely on the same evidence summarised at paragraphs 28 to 49 above. As was the case with my assessment of enhanced distinctiveness, I do not intend to repeat that evidence in full here but will refer to the relevant points where necessary below.

103. As above, the issue of use in the EU is relevant to the question of whether the applicant enjoys a reputation or not. However, the applicant's pleaded case under the section 5(3) ground is that its claimed reputation extends to the UK. It is on this basis that I will consider the present ground. In doing so, I remind myself that the applicant's use in the UK covers the sale of 16,077 items for a total turnover of £642,437. In my view, this is very low, especially when considered against the likely size of the market at issue. Further, the turnover stems from just six years of use and while this is not a short period of time, it is not particularly longstanding. On this point, I remind myself that the applicant's claimed use from 2002 onwards is not proven in evidence as it solely relates to use between 2016 and 2021 only. In addition, I remind myself that it is not possible for me to equate the advertising spend specifically to UK advertising. Lastly, the evidence as to the reach of the applicant's social media evidence is also very low and, in my view, is far from compelling.

104. Taking the above evidence into account and following similar reasoning I have applied at paragraph 68 above; I hereby find that it is insufficient to give rise to a finding that a significant part of the relevant public in the UK knew of the applicant's mark as at the relevant date. As a result, and because the applicant has claimed to enjoy a reputation in the UK only, I find that the section 5(3) ground fails at this stage.

105. Even if the applicant had pleaded its case in reliance upon a reputation in the EU, I do not consider that this would have assisted. In short, I accept that an EU

turnover of €24 million between 2016 and 2020 together with a total advertising spend of €5 million over this same period is sufficient to give rise to a finding that the applicant's mark enjoys a reputation that is of a moderate strength in respect of its "golf clothing" goods. However, in considering whether there exists a link or not, I remind myself of the case of *China Construction Bank Corporation v Groupement Des Cartes Bancaires*, BL O/281/14, wherein Mr Iain Purvis QC, sitting as the Appointed Person, stated:

> "40. […] I believe that the ultimate decision under s5(3) was nonetheless correct. In order to succeed under s5(3), the opponent has to show either that the distinctive character or repute of its earlier mark would be damaged by reasonable and fair use of the mark applied for, or that such reasonable and fair use would take unfair advantage of the reputation of its earlier mark. The reasonable and fair use of the mark applied for can only be use in the United Kingdom, since this is the entire territorial scope of the application.
>
> 41. If the reputation of the earlier mark does not extend to the United Kingdom, it is difficult to see how (at least in the usual case) it could be damaged by use of a mark in the United Kingdom, or that such use could be said to take unfair advantage of the earlier mark. For one thing, the necessary 'link' between the marks in the mind of the average consumer which must be established in any case which relies on the extended protected (see Adidas-Saloman v Fitnessworld [2004] ETMR 10) would not exist. There is certainly no evidence in the present case which explains how any 'link' could be made in the UK absent of a reputation here."

106. In light of the above, I am of the view that regardless of a reputation in the EU, the lack of a reputation in the UK is fatal to the existence of a link between the marks. The circumstances in the present case mirror the one cited above in that there is no evidence provided by the applicant which can be said to explain how any link could be made in the UK in light of the fact that the majority of the use

before me relates to the EU. As a result, I fail to see how average consumers in the UK would make the necessary link between the marks as there exists no reputation in the relevant territory for my consideration of a link. Therefore, even if I was wrong to limit the applicant's case to its pleaded arguments (reputation in the UK only) I find that the applicant's claim under its section 5(3) fails in any event.

Section 5(4)(a)

107. 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,

(aa) […]

(b) […]

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

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

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

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

> "55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.
>
> 56. In relation to deception, the court must assess whether "a substantial number" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

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

> "Establishing a likelihood of deception generally requires the presence of two factual elements:
>
> (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation among a relevant class of persons; and
>
> (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

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

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

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

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

Relevant Date

111. In *Advanced Perimeter Systems Limited v Multisys Computers Limited,* BL O-410-11, Mr Daniel Alexander Q.C., 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.' "

112. The contested mark does not have a priority date. Further, no evidence has been filed by the proprietor to show that its mark has been used. As a result, the relevant date for the purposes of the applicant's claim under section 5(4)(a) is the date of the application at issue, being 10 May 2023.

Goodwill

113. The first hurdle for the applicant is to show that it had the necessary goodwill in the sign relied upon at the relevant date. I remind myself that under the present ground, the applicant relies on the same set of goods that it did under both the section 5(2)(b) and 5(3) grounds.

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

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

115. I have already found that the evidence provided by the applicant is insufficient to establish enhanced distinctive character or a reputation in a registered mark identical to the sign relied upon under this ground. Nevertheless, that does not preclude a finding of goodwill since a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its goodwill and reputation may be small.[29]

116. Goodwill results from trading activities in the UK. I remind myself that, by the relevant date, the applicant sold 16,067 goods in the UK for a total turnover of £642,437. I accept that this is not a high level of use but, as above, small businesses with only limited use may still be found to enjoy a protectable level of goodwill. It is my view that this level of use crosses that threshold. As such, I find that the applicant enjoys a protectable level of goodwill in its business and that the sign relied upon is distinctive and/or associated with that goodwill. For the same reasons discussed when considering genuine use above, I am of the view that this use will be fairly categorised as relating to "golf clothing". Therefore, my finding of goodwill extends to such goods. In terms of the strength of this goodwill, I am of the view that the low level of use provided is only sufficient to give rise to a finding that the goodwill is only limited in strength.

[29] See, for instance, *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590.

Misrepresentation

117. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt LJ stated that:

> "There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc. [1990] R.P.C. 341 at page 407* the question on the issue of deception or confusion is
>
> > "is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]"
>
> The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd*. (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101."

118. And later in the same judgment:

> "[…] for my part, I think that references, in this context, to "more than *de minimis*" and "above a trivial level" are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion."

119. In *Marks and Spencer PLC v Interflora* [2012] EWCA (Civ) 1501, Lewison LJ 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, considering the Court of Appeal's later judgment in *Comic Enterprises* (cited above at paragraph 65), it seems doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes.[30] This is because they are both normative tests intended to exclude the particularly careless or careful, rather than quantitative assessments.

120. I note that the goods for which the applicant has established goodwill are the same as those for which it was found to have genuinely used its mark for. For the same reasons as those discussed above, these goods are identical to the goods of the proprietor. Bearing in mind the case law discussed in the preceding paragraph and reminding myself that I have found no likelihood of direct or indirect confusion for identical goods, I do not consider that a substantial number of members of the relevant public will be misled into purchasing the applicant's goods in the mistaken belief that they are the goods of the applicant. This is on the basis of the same reasons outlined at paragraphs 86 to 95 above, combined with the low level of goodwill.

CONCLUSION

121. The application fails in its entirety and, subject to any successful appeal against my decision, the contested mark may remain registered for all goods.

[30] Although this was an infringement case, the principles are equally applicable to section 5(2) of the Act: *Soulcycle Inc v Matalan Ltd* [2017] EWHC 496 (Ch).

COSTS

122. As the proprietor has succeeded, it is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 1/2023. While I have found above that the proprietor's evidence is of no assistance to these proceedings, the proprietor was still required to consider the evidence of the applicant. As such, I am of the view that the proprietor should still be granted a costs award in respect of this task.

123. In the circumstances, I award the proprietor the sum of £1,300 as a contribution towards its costs. The sum is calculated as follows:

Considering the application of invalidity and preparing a counterstatement in response:	£300
Considering evidence:	£600
Written submissions:	£400
Total:	**£1,300**

124. I hereby order CHERVO' S.p.A. to pay REFLO SPORTS LTD the sum of £1,300. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 24th day of December 2024

A COOPER
For the Registrar