0/439/11

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO 2 540 481 IN THE NAME OF BLAH BLAH BLAH TO REGISTER IN CLASSES 09, 14, 18, 24 AND 25 THE TRADE MARK: DIVINE TRASH

AND

OPPOSITION THERETO UNDER NO 100 603 BY DIVINE TRASH LIMITED

TRADE MARKS ACT 1994

In the matter of trade mark application NO 2 540 481 in the name of Blah Blah Blah to register in classes 09, 14, 18, 24 AND 25 the trade mark: DIVINE TRASH

and

Opposition thereto under NO 100 603 By Divine Trash Limited

Background and Pleadings

 Blah Blah (the applicant) applied to register the trade mark DIVINE TRASH on 27th February 2010. The application was published in the Trade Marks Journal on 14th May 2010 in respect of the following goods:

Class 09:

Sunglasses.

Class 14:

Jewellery including but not limited to bracelets, amulets, rings, brooches, chains, charms, necklaces and rings.

Class 18:

Wallets.

Class 24:

Bed linen; towels.

Class 25:

Articles of clothing, headgear and footwear; belts.

 Divine Trash Limited (the opponent) oppose the registration of the applicants trade mark application on the basis of Section 5(4)(a) of the Trade Marks Act 1994 ("the Act"). This is on the basis of the following earlier right:



- 3. The opponent claims that its business has acquired a goodwill associated with this earlier sign in respect of the following goods and services: *retail of fashion clothing; clothing.*
- 4. The applicant filed a counterstatement denying the ground of opposition. In essence, it argues that the opponent has not demonstrated that there is a reasonable amount of goodwill attached to its business. Further, that it has not shown that there will be any misrepresentation as no evidence of any actual confusion has been shown. Finally, there is a disparity between the respective goods and services in these proceedings. All of which negate against any successful claim under Section 5(4)(a) of the Act. Evidence was filed by both sides, with written submissions also filed by the applicant. The written submissions have been fully taken into account in reaching my decision and I will refer to them where necessary. No hearing was requested and so I make this decision following a careful reading of the papers.

The opponent's Evidence

- 5. This takes the form of a statutory declaration, dated 14th December 2010 from Mr Arron Raymond Moss and Ms Lucy Victoria Bradbury of the opponents, together with a number of exhibits. The following relevant information is contained therein:
- According to Mr Moss and Ms Bradbury, the earlier right has been used since May 2006 in respect of the retail of clothing; the first press usage was in June 2006 to advertise the launch of the store and since then, the store and the earlier right has featured regularly in both the local and national press. I note that the documentation allegedly in support of this assertion is contained in Exhibits ARM2-ARM19 and will consider the impact, if any, of this documentation further below;
- Mr Moss and Ms Bradbury explain that trade in respect of clothing bearing the earlier right commenced in November 2009, as supported by exhibit ARM21;
- Exhibit ARM22 is, according to Mr Moss and Ms Bradbury, evidence of confusion in the retail trade;
- Exhibit ARM23 is the result of a search of the terms "divine trash" conducted on the website "amazon" (<u>www.amazon.co.uk</u>) which, according to Mr Moss and Ms Bradbury illustrate the confusion between the respective signs of the parties'; further, Mr Moss and Ms Bradbury argue that the applicant uses inappropriate imagery which harms the business of the opponent;
- Mr Moss and Ms Bradbury claim that the opponent company has generated in excess of £600,000 since trading commenced and over £22,000 has been invested in advertising the business and the earlier right. Since the establishment of the online shop in May 2006 (<u>www.divinetrash.co.uk</u>), the website has received in excess of 700,000 visits (as supported by exhibit ARM25).

The applicant's evidence

6. This is a witness statement, dated 14th June 2011, from Mr Richard Gunn, a director of the applicant. The witness statement contains a mixture of

evidence and comments/submissions in response to the evidence of the opponent and includes the following information:

- According to Mr Gunn, the applicant began trading under the DIVINE TRASH trade mark in November 2009 in respect of clothing, footwear, headgear and jewellery and has traded consistently since then enjoying a turnover of around £332,000, with invoices exhibited in support;
- Mr Gunn claims that the applicant's products are sold throughout the United Kingdom, a list of customers included in evidence;
- Details of promotional activities of the applicant are also provided;
- In response to the statutory declaration of the opponent, Mr Gunn argues that • the opponent has not established a goodwill throughout the United Kingdom, rather there is a sole retail outlet in Buxton; its turnover is restricted to only £600,000, a figure which is not substantiated by the evidence; many of the advertisements are undated, do not indicate the publication in which they appear and provide no indication of circulation; one instance of confusion does not establish that confusion arises on the part of the public in general; the "inappropriateness" or otherwise of the imagery used by the applicant is irrelevant to the issue to be decided here; even though the opponent has provided details as regards the number of hits to its website, it has not shown that any sales have been made through its website. Mr Gunn concludes that the opponent's evidence fails to show that any products bearing the earlier right have been sold and is questionable as to whether it shows that the opponent operates a retail outlet to such an extent as to acquire a goodwill. On the contrary, the applicant has established a substantial goodwill and so the opponent should not be in a position to restrain the later mark under the law of passing off.

DECISION

Passing off - Section 5(4)(a)

7. Section 5(4)(a) reads as follows:

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)

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

8. The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] R.P.C. 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

 (1) that the opponent's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
(2) that there is a misrepresentation by the applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponent; and

(3) that the opponent has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the applicant's misrepresentation.

The Relevant Date

9. The relevant date for determining the opponent's claim will be the filing date of the application in suit (*Last Minute Network Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Joined Cases T-114/07 and T-115). The earlier right must have been acquired prior to that date (Article 4.4(b) of First Council Directive 89/104 on which the UK Act is based). The relevant date in date in these proceedings therefore, is 27th February 2010. However, I note that the applicant claims that it commenced using its mark prior to the filing date, in November 2009. My assessment must therefore firstly consider the position as at the date of first use and then also at the filing date of the contested application.

Goodwill

- 10. I note that in the notice of opposition, the opponent claims that the business attracts a protectable goodwill in respect of the following goods and services: *retail of fashion clothing; clothing.* In order to make an assessment of whether or not goodwill exists in such activities, I must be in possession of sufficient information to reach an informed conclusion.
- 11. In relation to goodwill, this was explained in *Inland Revenue Commissioners* v Muller & Co's Margarine Ltd [1901] AC 217 at 223 as:

"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."

12. It is also worth noting that to qualify for protection under the law of passing-off, any goodwill must be of more than a trivial nature¹. However, being a small player does not prevent the law of passing-off from being relied upon as it can be used to protect a more limited goodwill².

¹ Hart v Relentless Records [2002] E.W.H.C. 1984

² See, for instance, *Stannard v Reay* [1967] F.S.R. 140, *Teleworks v Telework Group* [2002]

R.P.C. and Stacey v 2020 Communications [1991] F.S.R. 49).

Analysis of the opponent's evidence

Preliminary remarks

- 13. I note that the opponent has included in its evidence a printout from the website "Amazon". This displays the results of a search in respect of the words "Divine Trash" which shows the words used on t-shirts and also hair accessories, clothing accessories and jewellery. The opponent asserts that this printout is evidence of confusion between its trade mark and that applied for, though it is difficult to see how exactly as the trade marks of each are not clearly identified, rather there are just the words "Divine Trash". Perhaps the opponent means that this evidence demonstrates the potential for confusion between the two in respect of a range of products. However this has not been made clear in any way. As such, I am unclear as to the weight I should accord this evidence and so the opponent's argument that this supports a finding of actual confusion must be set aside.
- 14. As already outlined, the applicant has made a number of criticisms of the opponent's evidence, which I consider to have some merit, for example it would presumably have been reasonably straightforward for the opponent to have provided copies of invoices or other supportive documentation regarding the turnover of its business. However, despite any obvious defects, I must consider the evidence as filed in order to determine whether, in totality, it is capable of demonstrating that as at the relevant date, the opponent had acquired goodwill in its business in respect of the goods and services claimed.
- 15. As regards the evidence supporting the opponent's claim to goodwill in respect of *clothing*, there is a clothing label, a pricing sticker and the appearance of a leather jacket in an unnamed publication which is also undated. The opponent claims that its own clothing range was launched in November 2009 which is a very short period prior to the relevant date.
- 16. In respect of the *retail of fashion clothing,* I note that there are a number of press articles and advertisements in respect of the opponent's shop in Buxton which sells clothing. Notable inclusions are:
- The article describing the opponent's as a specialist clothing shop which opened in May 2006. The earlier trade mark is displayed, the brands of clothing "and accessories" stocked are mentioned and the contact details are provided. There are also other articles in evidence which are undated but which support and/or cover the same information;
- The article, dated what appears to be August 2006 (I say appears to be as it is not a particularly clear copy, however the year 2006 is clearly displayed), from a publication called "Peak District Life", which I assume to be a local publication. The article describes the business called Divine Trash, that it is a

recently opened retro fashion boutique and that stock is sourced locally, from Europe and the USA;

- An article, dated early 2007 (which is obvious from the content) in respect of Business Link whereby Ms Bradbury of the opponent company is endorsing a business link advisor. The Divine Trash name is mentioned;
- An article, undated, which describes the opponent's business as an independent retailer in men's and women's branded clothing and which reports that its online business is set to outstrip sales of its bricks and mortar store;
- An article, dated June 2009, describing the opponent's business and its sponsorship of the Buxton Opera House.
- 17. Further, there are a number of promotional leaflets, flyers and advertisements in evidence. Though a number are undated, notable exceptions include a flyer aimed at university students in September 2006 (a 15% discount is offered upon presentation of a valid National Union of Students (NUS) card) and a leaflet offering a discount which is valid until June 2008. Each flyer/leaflet lists the brands of clothing sold by the opponent. Further they display the earlier right. The undated flyers are also similar in nature and content.
- 18. In respect of clothing products, I am of the view that the evidence is limited in the extreme. There is nothing to suggest that any sales have been made in respect of any own brand clothing and there is no other supporting evidence in the way of advertisement or other promotional materials to demonstrate there has been actual trade. Further, the example of a leather jacket advertised in an unnamed publication is ambiguous as it may simply support that there is a retail service in respect of fashion clothing rather than a trade in own brand clothing. I therefore consider that the evidence is insufficient to demonstrate goodwill in respect of clothing. In the event I am found to be incorrect on this, I consider that the evidence filed, at best supports only a trivial goodwill.
- 19. In respect of the claimed retail services, I have already acknowledged that the evidence filed is defective, particularly the lack of invoices. Further some of the evidence is undated. However, this is supported by evidence which clearly demonstrates that the opponent has been trading as a retailer of clothing from May 2006 onwards. In addition, the evidence filed displays the earlier trade mark relied upon in a number of instances. I accept that the opponent's business is relatively small, both in respect of its size and commercial impact. In totality therefore, it is clear that both in November 2009 and at the relevant date, the opponent had acquired goodwill in its business in respect of *the retail of fashion clothing.* Furthermore, this goodwill is associated with the earlier right relied upon (as displayed above).
- 20. However this is not the end of the matter as the applicant has argued that even if the opponent has established goodwill, this is limited to the locality of Buxton, Derbyshire where the shop is located. In considering this issue, I note that there is also evidence of online sales via a press article and so it is likely that goodwill has extended beyond Buxton. In any case and crucially, I bear in mind the decision in *Chelsea Man Plc v Chelsea Girl Limited and*

Another [1987] RPC 189 in which it was held that a local goodwill can be sufficient to found a national injunction in respect of passing off. The trade mark applied for is for a national registration which covers necessarily covers the area in which the opponent trades and absent a geographical restriction, the trade mark application is liable to be restrained as passing off. I am satisfied therefore that there is a non trivial goodwill present here, which is sufficient to found a Section 5(4)(a) objection.

Misrepresentation and damage

21. Having decided that there is goodwill in respect of *retail of fashion clothing*, I must go on to consider if there has been misrepresentation and whether any such misrepresentation is such as to cause damage to them. In this respect, I am mindful of the comments of Morritt L J in the Court of Appeal decision in *Neutrogena Corporation and Anr. V Golden Limited and Anr.* [1996] RPC 473 when he confirmed that the correct test on the issue of deception or confusion was whether, on the balance of probabilities, a substantial number of the opponent's customers or potential customers would be misled into purchasing the applicant's products in the belief that it was the opponent's. Further, Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull)* Ltd [1980] RPC 31 HL, stated that the opponent must show that "he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill".

Preliminary remarks

- 22. I acknowledge that the opponent has submitted in its evidence an email exchange which it considers supports the notion of confusion between the parties' signs. However the context is unclear, particularly the process by which the third party involved eventually contacted the opponent. In this regard, I note that the initial email from the third party is not included in the evidence; rather the exchange begins with the first response from the opponent. The process by which the third party first came into contact with the opponent is important as this may, for example, simply have been an error in respect of obtaining the correct contact details, which can occur for a number of reasons, none of which are necessarily a result of confusion in the goods. I consider it to be unsafe to accord reliance upon this evidence. In any case, a lack of evidence of confusion does not harm the opponent's case as the assessment I am required to make (and indeed have outlined above) is a notional one based upon the trade mark and specification of goods applied for and the earlier trade mark and the services for which goodwill was demonstrated to have been acquired.
- 23. Firstly, I must make an assessment of the respective signs. These are shown below:

Divine	DIVINE TRASH
Earlier right	Trade mark application

The trade marks coincide in that they each contain the words "DIVINE TRASH". They differ in respect of the additional graphical elements in the earlier trade mark which have no counterpart in the trade mark applied for. They also differ in the particular presentation of the verbal elements in the earlier trade mark. However, due to the coincidental verbal element, I consider them to be similar visually, at least to a moderate degree. Aurally, they are clearly identical. Conceptually, whether it is the meanings of the individual words "DIVINE" and "TRASH" which are understood or whether they are each understood as a complete phrase, the marks are, in either case, identical. Bearing in mind all of the aforesaid, I consider the trade marks to be highly similar.

24. Whilst there is no requirement for there to be a common field of activity of the respective parties, see *Lego Systems A/S v Lego M Lemelstrich Ltd* [1983] FSR 155, the level of similarity of the respective goods and services is, nonetheless, a relevant factor.

Contested goods in class 25:

- 25. Although the nature of the products and the services is not the same, there is similarity in purpose in that the aim of both the provider of a retail service for clothing and a manufacturer of clothing is to make such products available for purchase by the end consumer. Further, the manufacturer of a certain product (such as the products in class 25) may, either directly or by means of the intervention of another company, render the related retail services. Consumers may therefore either approach the manufacturer of the products or the company that renders the services to acquire the products. There are therefore both some connections and differences between clothing products and the retail of clothing. Further in respect of the remaining contested goods, namely headgear, footwear and belts, I consider that they are all examples of the types of goods one would expect to be sold in a clothing shop. Bearing this in mind, I consider there to be a common field of activity.
- 26. In respect of the contested class 25 goods therefore, the situation is that there is a common field of activity when compared with the earlier services. Further, the marks are highly similar and highly distinctive. In such circumstances I consider it highly probable that a substantial number of the opponent's customers would be misled into buying the applicant's products in the belief that they are the opponent's. As such, misrepresentation is, in my view, likely to occur and so damage will result. The opposition therefore succeeds in respect of the contested class 25 goods.

Contested goods in classes 09, 14, 18 and 24:

- 27. These contested items have their own particular nature and purpose which is wholly different from those of the earlier services. Having said that, these goods with the exception of those in Class 24, could possibly be sold in a clothes shop as accessories to clothing. However, there is no evidence that this is the norm. Further, the opponent's evidence does not demonstrate such a trade.
- 28. However, this is not the end of the matter as I have already stated that, in any case, a common field of activity is not required. It is true of course that the trade marks are highly similar. I must also though take into account the goodwill acquired by the opponent's and its likely impact. Though there is protectable goodwill, it is, in my view, modest. As such, its impact is limited in the sense that I consider it to be unable to extend to the remaining contested goods even if there may be some overlap in the areas of activity. Bearing in mind the foregoing, I conclude that it is unlikely that misrepresentation will occur or that damage will result from the registration and use of the later trade mark. The opposition therefore fails in respect of these contested goods.

COSTS

29. In these proceedings, both the opponents and applicants have achieved a measure of success. I order therefore, that each party should bear its own costs

Dated this 7th day of December 2011

Louise White For the Registrar, The Comptroller-General