

O-028-15

TRADE MARKS ACT 1994

**IN THE MATTER OF THE CONSOLIDATED APPLICATION Nos.84548 & 84549
BY THE BSS GROUP LIMITED
FOR REVOCATION OF TRADE MARKS No. 1197430 & 1157991
STANDING IN THE NAME OF
LOCAL BOY'Z LIMITED**

**AND IN THE CONSOLIDATED MATTER OF APPLICATION NO. 2593920
BY THE BSS GROUP LIMITED TO REGISTER**



**IN CLASSES 9 & 25
AND**

**IN THE MATTER OF OPPOSITION
THERE TO UNDER No.103076 BY
LOCAL BOY'Z LIMITED**

BACKGROUND

1) On 6 September 2011 Birchwood Products Limited applied to register the trade mark shown on the front page in respect of the following goods:


Class 9: Clothing for protection against injury, accident, irradiation or fire.

Class 25: Clothing, footwear, headgear.

2) The application was examined and accepted, and subsequently published for opposition purposes on 2 December 2011 in Trade Marks Journal No.6916. The mark was subsequently assigned to The BSS Group Limited (hereinafter BSS).

3) On 4 March 2012 Local Boy'z Limited (hereinafter LBL) filed a notice of opposition. The grounds of opposition are in summary:

a) LBL is the proprietor of the following trade marks:

Mark	Number	Dates of Filing & Registration	Class	Goods
HARD CORE	1157991	20.07.81 20.07.81	25	Articles of clothing, but not including boots, shoes or slippers.
 <p>A series of three marks</p>	1197430	10.06.83 10.06.83	25	Articles of clothing, but not including boots, shoes or slippers.

b) LBL contends that the marks and goods of the two parties are identical and /or similar such that the marks in suit offend against section 5(2)(b).

4) On 10 May 2012 Birchwood Products Limited filed a counterstatement which states that the marks and goods are different. It puts LBL to strict proof of use of its marks.

5) By two applications both dated 5 September 2012 Birchwood Products Limited applied for the revocation of the registrations shown in paragraph 3 above under the provisions of Section 46(1)(b) claiming there has been no use of the trade marks on the goods for which they are registered in the five year periods 5 September 2006 – 4 September 2011 and 5 September 2007 – 4 September 2012. Revocation dates of 5 September 2011 and 5 September 2012 respectively are sought. It is stated that the revocations were filed as LBL failed to file any evidence of use as requested in respect of the opposition case outlined above. Therefore, although the revocation actions were filed without formal warning the possibility was clearly foreshadowed in the earlier action between the parties.

6) On 8 January 2013 LBL filed its counterstatements. LBL contends that its marks have been used during the specified periods or in the alternative that commencement or

resumption of use had commenced before the applications for revocations were made. LBL also contended that revocation was being sought prior to the dates that the applications for revocation were filed and LBL does not believe that there are grounds for such a claim.

7) The opposition and revocation cases were consolidated and the original applicant for registration and also revocation, Birchwood Products Ltd, was replaced by The BSS Group Ltd (BSS) with all necessary assurances given on 30 January 2013.

8) Both sides filed evidence. The matter came to be heard on 6 January 2015 when BSS was represented by Ms Edwards-Stuart of Counsel instructed by Messrs Marks & Clerk LLP; and LBL was represented by Mr Malynicz of Counsel instructed by Messrs Barlin IP.

LBL'S EVIDENCE

9) LBL filed four witness statements, dated 15 August 2012, 7 November 2012 and two dated 13 March 2013 all by Stephen Mucklow, the Managing Director of LBL. He states that he believes that the goods of the two parties are similar as the retail market has altered so that sports/casual and formal clothing are sold alongside protective clothing, outdoor clothing and safety clothing. He states that children's and infant's clothing is required to be fire resistant under UK legislation. He states that his company acquired its marks from the Crown on 27 April 2011 and the assignment was registered by the IPO on 3 June 2011. He states that following the acquisition of the two marks (1157991 and 1197430) LBL took steps to use the marks in the UK. He states that between May 2011 and September 2011 a range of clothing was developed. The drawings were shown to various customers including Sportsdirect.com Retail Ltd (hereinafter Sportsdirect) and Rapidworks Ltd t/a Madhouse (hereinafter Rapidworks). He states that these two companies have stores in the UK and also operate on the internet. Samples of these items were then ordered from various suppliers. LBL received orders from Sportsdirect and Rapidworks. He states that an exclusivity deal had been agreed with Sportsdirect which would require them to order a minimum level of items for the years 2012 and part of 2013. He states that whilst Sportsdirect would place orders the agreement allows them to be phased over seasons. Also, certain products have different lead times ranging from three to twelve months. He states that during the period 1 June 2011 to 2 December 2011 his company sold approximately £1.2 million worth of goods to the two companies mentioned earlier whilst during the period 2 December 2011 to 7 November 2012 they sold £1.7 million worth to Sportsdirect *solus*. He states that HARD CORE products have been sold in the 380 Sportsdirect stores throughout the UK and parts of the range have also been sold on that company's website.

10) Mr Mucklow states that since November 2011 his company has designed a number of other items of clothing and footwear. He provided the following exhibits:

- SM1: Copies of undated CAD drawing of designs for clothing. These include, underwear, socks, T-shirts, shirts, tops, knitwear, sweatshirts, jackets, hoodies, body warmers, jeans, shorts, jogging pants, sweat pants, hats, gloves, and flip flops. These all have the words "HARD CORE" upon them in terms of labels and/or printed upon them.

- SM2: Undated photographs of samples of hoodies, jackets, T-shirts, tops, shirts, jeans and body warmers/jackets. These all have the words “HARD CORE” upon them in terms of labels and/or printed upon the clothing itself.
- SM3: Copies of orders received from Sportsdirect up to 2 December 2011. The first order is dated 5 August 2011 for delivery in January 2012. All the items in the typed order form refer to the brand name “RICCI”, however there is a hand written note at the top of the order form which states that the brand is to be changed to “Hardcore”. This note is not signed, initialled or dated. The order refers to 36,000 vests, code TA009780P. The order number is 076485/100. This relates to page 160 of exhibit SM1. The next order dated 12 September 2011 is for delivery on 5 March 2012 and relates to 6,450 HARDCORE vests. The exhibit contains a number of other orders dated between 19 September 2011 and 28 November 2011, all of which relate to HARDCORE t-shirts, shirts, jeans, hoodies, jackets and tops. Each order contains a code relating to a product and the attached CAD drawing has the same reference number and shows each item with HARDCORE labels and, in some cases, the brand printed prominently upon them. All monetary values on all orders in this exhibit have been redacted.
- SM4: Copies of orders received from Rapidworks up to 2 December 2011. The first order is dated 26 September 2011 and the last of the four orders is dated 17 November 2011. These orders relate to substantial quantities of vests, T-shirts and jeans, all of which are shown, in the attached CAD drawings to have HARDCORE labels and, in some cases, the brand printed prominently upon them. All monetary values on all orders in this exhibit have been redacted.
- SM5: This is said to be copies of orders from Sportsdirect prior to 2 December 2011. However, it is simply a list of goods under the hardcore name and quantities. They are all HARDCORE products and include items such as hoodies, t-shirts, jackets, trunks, shirts, pants, knitwear, hats and gloves. Other than this there are no details regarding dates or costs.
- SM6: Copies of pages from the website of Sportsdirect which show goods for sale. Whilst these show a number of Hardcore products for sale the pages are not dated. It is however relied upon as part of the overall picture to show that the goods were destined for sale in the UK.
- SM7: Copies of labels all of which have the word HARDCORE and instructions as to where on the garment the label is to be used. These include neck, back pocket, size, zip puller, eyelet and button labels and swing tags.

BSS’S EVIDENCE

11) BSS filed a witness statement, dated 13 March 2013, by Paul Nieduszynski the Managing Director of Birchwood Price Tools which is a trading brand of BSS Group Limited. He states that his company has permission to use the mark HARDCORE. He states that his company devised plans to use the mark upon a range of specialist safety shoes in March 2011. In November 2011 he states that the packaging artwork was created, and booklets advertising the products were distributed from 31 January 2012 internally to area sales representatives who then forwarded them onto dealers nationally and onto potential

customers such as builders' merchants, electrical wholesalers and hire shops. He states that the shoes were aimed at the professional user of protective clothing and footwear. The first order for the products was received on 6 March 2012. He states that the product has the trade mark upon it in several places such as the tongue, the side of the shoe and the insole. In addition, the packaging has the mark upon it in a number of places such as the top, side and end of the box, the paper inside the box and the care booklet included in the box.

12) Mr Nieduszynski states that the target consumers for the two parties are different as his company is aimed at the professional user whereas LBL are aimed at the leisure wear market and the general public. He states that his company does not sell to the general public but to the professional user. He states that the trade channels are also different. He provides the following exhibits:

- PN1: Copies of two purchase orders, dated 13 and 14 September 2011, with delivery expected on 1 February 2012 and 15 January 2012 respectively. These orders relate to £180,625 (12,500 pairs) and £105,125 (7,250 pairs). The invoices and the attached sheet show clear use of the mark **HARDCORE** and the device element shown on the front page of this decision.
- PN2: A copy of the letter and booklet sent out to prospective purchasers. There is substantial use of the registered mark upon the brochure, and it is possible to make out the mark on the side of one pair of boots.
- PN3: Consists of a list of 240 retailers throughout the UK and also an invoice for shoes under the mark in suit dated 2 March 2012.
- PN4: Pictures of footwear with the mark in suit upon swing tags, insoles, tongues, wrapping paper and boxes.

LBL'S EVIDENCE IN REPLY

13) LBL filed a witness statement, dated 30 April 2014 by Mr Mucklow who has previously provided evidence in this case. He repeats much of the evidence given previously in setting out the timetable of designs being drawn, samples made and clients shown and then orders being placed. He explains the amendment to exhibit SM3 stating that "Ricci was going to be the original name but as a result of meeting with customers **HARDCORE** was the preferred brand". He states that the goods covered by this initial order can be seen at page 160 of SM1, which is undated. He provides at exhibit SM10 new copies of some of the pages from SM1 which show further details. He points out that the order was placed on 5 August 2011, whilst the image was created on 15 August 2011 hence the alteration to the order. He also points out that attached to the order at SM3 was a colour copy of page 160 from exhibit SM1 which has a reference to the order number of 5 August 2011. I note however, that the page attached to the order form was not dated, and differs slightly to page 19 of exhibit SM10. The main difference relates to the inclusion of a column on the right hand side of the page which shows the date of creation of the drawing and when it was last modified. It shows that the design was created on 15 August 2011. The other differences are minor and relate to the reference number which alters from TA0097801THB to TA0097801TRC (although the design reference number remains the same). The other difference is in the

order number with page 160 showing L16207-600, with page 19 showing an order number of 076485 (which relates to exhibit SM3: see above).

14) Mr Mucklow states that prior to 2 December 2011 samples of products were provided to both Sportsdirect and Rapidworks. Amongst the exhibits is a witness statement from Mr Reiss who describes himself as the Managing Director of a company called Deluxe Retail Ltd between November 2008 and February 2012. He states that the company went into administration and was succeeded by Rapidworks but he does not state when this occurred or whether he was an officer of Rapidworks. He states that orders were placed in the period September – December 2011 under the name of Rapidworks but it is not clear when this company was formed nor, as Mr Reiss was meeting LBL under the guise of Deluxe Retail Ltd, how he was placing orders under a different company name.

15) Also included at exhibit SM16 is a letter from a director of Sportsdirect. The letter is not addressed to anyone and therefore must be treated with little weight. I also note that whilst it is claimed in this letter that an order was placed on 5 August 2011, no mention is made of the fact that the original order was for goods branded RICCI which was amended at some time later to HARD CORE products. Nor does he comment on how he was shown designs in CAD format in a meeting in May when at exhibit SM10 no images had been created at this stage.

16) Mr Mucklow states:

“34. In summary of the above we first create CAD drawings of our proposed products, and then obtain samples of the proposed products from our manufacturers, which are then presented to the retailer for review. Once a retailer has placed an order, formal CAD drawings are produced showing each item with the particular colouring, trim or finish requested by the retailer. These may be further revised upon consultation with the retailer.

35. At the same time we instruct our manufacturing bases to produce samples of each item ordered. Once received, these are checked for quality control purposes, and if necessary new samples are provided bearing any corrections. These are then passed to the retailer for inspection, before confirmation and fulfilment of the order.”

17) He provides the following exhibits:

- SM8 & 9: A copy of the assignments (excluding goodwill), dated 27 April 2011, from the Crown to LBL, and papers from the IPO showing the assignment being recorded. Both relate to trade marks 1157991 & 1197430.
- SM10: This consists of a number of pages which were originally included in exhibit SM1, but not all of them. Page 160 of SM1 appears at page 19 of this exhibit. The page now has additional information printed in a column on the right hand side of the page. This purports to show that the image was created on 15 August 2011. Only three items were created prior to 28 October 2011. These were: TA009780 Men's vest with contrast binding created on 15 August 2011; TA010967 Men's rib notch neck T-shirt with contrast colour binding created on 27 September 2011 and SA013691 socks created on 10 October 2011.

- SM11: Copies of CAD drawings showing further designs created after 2 December 2011 relating to clothing footwear and headgear.
- SM12: Copies of CAD drawings showing when various labels were created. The earliest were created on 10 August 2011 and amended on 15 September 2011. These were the labels used on the original order, dated 5 August 2011, and subsequent orders.
- SM14: Copies of orders for samples placed with suppliers. The earliest was said to be dated 5 August 2011 in the witness statement, although it is also said to have been sent to the supplier on 10 August 2011. Page 1 is dated 10 August 2011. This relates to packaging and labels but it does not give any details of the mark that is to be placed on these items. It refers to order 076485-100 which is the order referred to in exhibit SM3. Other pages of the order form relate to HARDCORE vests. However, given that the design was not created until 15 August 2011 (exhibit SM10) it is not clear how this order could have been placed prior to the creation of the design. Also included in this exhibit is an email from the supplier in Bangladesh dated 24 October 2011 confirming that the order will be shipped on 25 November 2011. There are a series of emails relating to the type of label to be used which are dated during October 2011; also included are emails during the same month relating to samples that had been provided confirming colours and sizing. The next three orders are dated 22 September 2011, and another 4 dated 21 November 2011.
- SM15: A witness statement, dated 12 May 2014, by Melvyn Reiss who describes himself thus:

“1. I was the Managing Director of Deluxe Retail Limited between November 2008 and February 2012. My company changed its name from Winter Sky Retail Limited to Deluxe Retail Limited in May 2010.”

AND:

“3. My company operated under the trading name “Madhouse”, and sold clothing ranges from 45 Madhouse stores in cities throughout the United Kingdom, including Barnsley, Belfast, Blackpool, Brighton, Cardiff, Glasgow, Liverpool, London, Northampton, Nottingham and Plymouth.

4. My company entered administration, and was succeeded by Rapidworks Limited.

5. I first became aware of Local Boy’z Limited in 2011, when they presented my company with a new range of t-shirts, vests, jeans, sweatshirts, shirts, hoodies and jackets. All of the goods presented featured the HARDCORE mark either as a prominent part of their overall design or as part of their labelling and all presentation drawings were branded with the mark.

6. Following this meeting, my company placed an order on 26 September 2011 for 6,000 men’s vests. Further orders were placed on 4 October 2011 (for 7,800 men’s t-shirts), 6 October 2011 (for 7,020 men’s t-shirts), and 17 November 2011 (for 9,870 pairs of men’s jeans). These orders were invoiced to and paid for by

Rapidworks Limited and the goods delivered to Rapidworks Limited upon completion of the orders.”

- SM16: This consists of a letter, dated 9 May 2014 by Sean Nevitt the Buying Director of Sportsdirect.com Retail Ltd a position he has held since 1999. He states:

“In around May 2011 Local Boy’z Limited presented my company with a new range of goods bearing the HARD CORE mark. We were shown a collection of clothing designs in the form of CAD drawings showing a range of t-shirts, shirts, vests, sweatshirts, jeans, jackets and hoodies.

Following this meeting my company placed an order on 5 August for 36,000 t-shirts and we received samples of these products around three months later. Further orders were placed on 12 September 2011, 19 September 2011, 19 September 2011, 2 November 2011, 10 November 2011, 11 November 2011, 15 November 2011, 16 November 2011, 17 November 2011, 26 November 2011 and 28 November 2011.

We received our first shipment of HARD CORE goods in December 2011 and these were available for sale in our stores in December 2011. All of the goods received featured the HARD CORE mark either as a prominent part of the overall design or as part of their labelling.”

- SM17: A sample of invoices to Sportsdirect dated 28 December 2011 to 17 November 2012.
- SM18: Details of payments received from Sportsdirect. These begin in January 2011; the only ones linked to invoices relating to this case show the earliest payments being made in May and June 2012

18) That concludes my review of the evidence. I now turn to the decision.

DECISION

19) I turn first to consider the ground of opposition under section 5(2)(b) which reads:

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

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

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

20) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark 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.”

21) LBL is relying upon its trade marks listed in paragraph 3 above which are both, clearly, earlier trade marks. BSS requested that LBL provide proof of use and, given the interplay between the dates of both parties' marks, LBL's marks are subject to proof of use. Section 6A of the Act states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if-

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes-

- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated

for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

22) I must first consider whether LBL has fulfilled the requirement to show that genuine use of its marks has been made. In the instant case the publication date of application 2593920 was 2 December 2011, therefore the relevant period for the proof of use is 3 December 2006 – 2 December 2011. In *Stichting BDO v BDO Unibank, Inc.*, [2013] F.S.R. 35 (HC), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

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

(2) The use must be more than merely token, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider* [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]”.

23) Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that “*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question*”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

24) Also in *Laboratoire de la Mer* Trade Mark [2006] FSR 5, the Court of Appeal held that sales under the mark to the trade may qualify as genuine use. Mummery L.J. stated that:

“31. After some hesitation I have reached a different conclusion from Blackburne J. on the application of the Directive, as interpreted in *Ansul* and *La Mer* , to the rather slender facts found by Dr Trott.”

32. Blackburne J. interpreted and applied the rulings of the Court of Justice as placing considerably more importance on the market in which the mark comes to the attention of *consumers and end users* of the goods than I think they in fact do. I agree with Mr Tritton that the effect of Blackburne J.'s judgment was to erect a quantitative and qualitative test for market use and market share which was not set by the Court of Justice in its rulings. The Court of Justice did not rule that the retail or end user market is the only relevant market on which a mark is used for the purpose of determining whether use of the mark is genuine.

33. Trade marks are not only used on the market in which goods bearing the mark are sold to consumers and end users. A market exists in which goods bearing the mark are sold by foreign manufacturers to importers in the United Kingdom. The goods bearing the LA MER mark were sold by Goëmar and bought by Health Scope Direct on that market in arm's length transactions. The modest amount of the quantities involved and the more restricted nature of the import market did not prevent the use of the mark on the goods from being genuine use on the market. The Court of Justice

made it clear that, provided the use was neither token nor internal, imports by a single importer could suffice for determining whether there was genuine use of the mark on the market.

34. There was some discussion at the hearing about the extent to which Goëmar was entitled to rely on its intention, purpose or motivation in the sales of the goods bearing the mark to Health Scope Direct. I do not find such factors of much assistance in deciding whether there has been genuine use. I do not understand the Court of Justice to hold that subjective factors of that kind are relevant to genuine use. What matters are the objective circumstances in which the goods bearing the mark came to be in the United Kingdom. The presence of the goods was explained, as Dr Trott found, by the UK importer buying and the French manufacturer selling quantities of the goods bearing the mark. The buying and selling of goods involving a foreign manufacturer and a UK importer is evidence of the existence of an economic market of some description for the goods delivered to the importer. The mark registered for the goods was used on *that* market. That was sufficient use for it to be genuine use on the market and in *that* market the mark was being used in accordance with its essential function. The use was real, though modest, and did not cease to be real and genuine because the extinction of the importer as the single customer in the United Kingdom prevented the onward sale of the goods into, and the use of the mark further down, the supply chain in the retail market, in which the mark would come to the attention of consumers and end users.”

25) Whilst Neuberger L.J. (as he then was) stated:

“48. I turn to the suggestion, which appears to have found favour with the judge, that in order to be “genuine”, the use of the mark has to be such as to be communicated to the ultimate consumers of the goods to which it is used. Although it has some attraction, I can see no warrant for such a requirement, whether in the words of the directive, the jurisprudence of the European Court, or in principle. Of course, the more limited the use of the mark in terms of the person or persons to whom it is communicated, the more doubtful any tribunal may be as to whether the use is genuine as opposed to token. However, once the mark is communicated to a third party in such a way as can be said to be “consistent with the essential function of a trademark” as explained in [36] and [37] of the judgment in *Ansul* , it appears to me that genuine use for the purpose of the directive will be established.

49. A wholesale purchaser of goods bearing a particular trademark will, at least on the face of it, be relying upon the mark as a badge of origin just as much as a consumer who purchases such goods from a wholesaler. The fact that the wholesaler may be attracted by the mark because he believes that the consumer will be attracted by the mark does not call into question the fact that the mark is performing its essential function as between the producer and the wholesaler.”

26) In considering the evidence of use provided I am reluctant to rely upon the evidence in respect of Rapidworks as there is some doubt as to when his company came into existence. There is some evidence from LBL (paragraph 14 and exhibit SM15 above give some details of the situation.) that it may have come into existence in early 2012 in which case it could not have placed orders or made payments in 2011.

27) The evidence in respect of Sportsdirect is far more focussed. I accept that there is a question regarding the actual creation dates of certain CAD drawings, but this would appear to be because there have been differences, of a minor nature, between the original drawings shown to the client and those used to provide the goods. This is perfectly understandable and is the reason why the reference number differs on the drawings at pages 160 of exhibit SM1 and page 19 of exhibit SM10 (paragraph 13 above refers). It is clear from the evidence of Mr Mucklow and the letter from Sportsdirect at exhibit SM16 that a meeting was held in May 2011 at which LBL showed Sportsdirect drawings of HARDCORE products and as a result various orders were placed. This evidence was not challenged by BBS in its evidence or by way of cross examining Mr Mucklow. From the various exhibits I have pieced together the following table which shows orders being placed, confirmed, an invoice being created and payment made. The business agreement between LBL and Sportsdirect has been described as effectively a draw down contract where Sportsdirect agrees to a certain level of purchases over a given period. In order for this to be economical they place large orders which allow goods to be made in bulk and then draw them down as and when required over the next 12 months. Although there are some gaps in the table below I do not believe that this undermines LBL's submissions on the point that an order once placed is then ultimately delivered and payment received.

SM3			SM3	SM14	SM14	SM17	SM17	SM17	SM18	SM18
Order No.	Order date	Goods	Pages	Purchase order page	Purchase order date	Invoice page	Invoice date	£	Date Payment received	Page no.
076485	05.08.11	Vests	1-4	1-6	10.08.11	1- 2	28.12.11	43,200	28.12.11	3
078308	19.09.11	t-shirt	14-16	40-42	22.09.11	8-9	03.04.12	17,035		
090227	02.11.11	Sweatshirts	17-19	259-260	23.02.12	27	14.07.12	14,076		
089811	10.11.11	Jeans	20-24			29-30	03.08.12	65,759	03.08.12	42
081193	11.11.11	t-shirt	25-32	99-102	21.11.11	16-17	26.04.12	51,799	26.04.12	17
081194	11.11.11	t-shirt	33-38	111-113	21.11.11	18-19	27.04.12	39,936	27.04.12	17
082184	16.11.11	Shirts	42-48	122-125	22.12.11	22-23	11.05.12	75,978		
085190	16.11.11	Hoodies	49-51	156-158	31.01.12	28	23.07.12	36,900		
085208	16.11.11	Hoodies	52-56	179-181	26.01.12	31-32	10.08.12	39,187	10.08.12	43
085218	16.11.11	Hoodies	57-62	213-216	31.01.12	36-37	31.10.12	49,275		
085231	16.11.11	Hoodies	63-68			33-34	20.09.12	75,937		
090225	17.11.11	Sweatshirts	69-71	223-225	22.02.12	25-26	14.07.12	20,988		
090231	28.11.11	Jackets	74-75	294-296	22.02.12	38	17.11.12	40,770		
090232	28.11.11	Hoodies	76-77	341-342	22.02.12	36	26.10.12	4,250		

28) I fully accept that the first order was initially placed as "Ricci" branded goods and was changed shortly after to HARDCORE branded goods. However, I do not accept that this undermines the whole of LBL's evidence or means that the subsequent orders could have been equally unfulfilled or cancelled. For BBS, Ms Edwards-Stuart contended, with some eloquence, that there had been no use of the marks in suit in the marketplace prior to 2 December 2011, in that no goods arrived from the Asian suppliers and hence in the shops of Sportsdirect prior to this date. I fully accept her argument that the goods most probably did not arrive in the UK until after 2 December 2011, but do not accept that there had thus been no use of the marks in suit. At the very least a meeting had taken place where drawings of goods, and later samples of those goods, bearing the HARDCORE trade mark had been shown to a potential buyer who had then placed a number of orders for goods with the trade marks in suit upon them. In one instance payment for the order was also received prior to 2 December 2011. To my mind, when the meeting took place and the potential customer was shown the mark being used on various goods, LBL had used its mark in the UK. LBL were clearly attempting to establish a market for its goods under the marks in suit. BSS contended that the use of the marks was internal given the relationship

between LBL and Sportsdirect. No evidence that the companies are related was provided and given the volume of orders, and the fact that shortly after the companies agreed that HARDCORE branded goods would be supplied exclusively to Sportsdirect, I do not find it surprising that the two companies enjoyed a close relationship. However, this does not mean that the use was internal, particularly as initially goods were offered to more than one company.


29) BSS also contended that the mark used upon the goods shown to Sportsdirect were branded HARDCORE and that this is different to the marks as registered. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act as follows:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

30) Similar comments have also been made in *Remus Trade Mark* – BL O/061/08 (Appointed Person) & *OAO Alfa-Bank v Alpha Bank A.E.* - 2011 EWHC 2021 (Ch) and *Orient Express Trade Mark* - BL O/299/08 (Appointed Person). Although these cases were decided before the judgment of the Court of Justice of the European Union ("CJEU") in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, they remain sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark.

31) For ease of reference I reproduce the registered marks relied upon by LBL below:

Number	Mark
1157991	HARD CORE
1197430	

32) BSS contends that the drawings, orders, invoices etc all show the mark being used as the single word HARDCORE. They contrast this with the two word version in both the above marks and with regard to 1197430 the stylisation of the script. To my mind the average consumer be it company such as Sportsdirect or the general public will see the

conjoined version as the two words “Hard” and “Core” and attach to it the well known meaning of an individual or group who are enduringly established in a belief and resistant to change. The term is used of supporters of sports teams/ group/movement/religion who would never consider altering their allegiance. They are a nucleus who can always be relied upon to turn up and support the cause, whatever the cause might be. **I therefore regard the conjoined version used by LBL in its documentation does not alter the distinctive character of the registered mark 1157991.** Nor do I regard the font used in 1197430 to be particularly stylised, and believe that most consumers will not notice the extremely mild stylisation. If one looks at the third mark in the series of three, it is only by having the marks effectively alongside each other that the miniscule differences can be made out. **I therefore regard use of the conjoined HARDCORE to be use of mark 1197430.**

33) I now turn to consider what goods the mark has been used upon and the specification it is entitled to rely on for the purposes of the comparison. Mr Justice Arnold (as he now is) in his judgments as The Appointed Person in *Nirvana Trade Mark BL O-262-06* and *Extreme Trade Mark BL O-161-07* comprehensively examined the case law in this area. His conclusion in *Nirvana* was that:

“(1) The tribunal’s first task is to find as a fact what goods or services there has been genuine use of the trade mark in relation to during the relevant period: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [30].

(2) Next the tribunal must arrive at a fair specification having regard to the use made: *Decon v Fred Baker* at [23]; *Thomson v Norwegian* at [31].

(3) In arriving at a fair specification, the tribunal is not constrained by the existing wording of the specification of goods or services, and in particular is not constrained to adopt a blue-pencil approach to that wording: *MINERVA* at 738; *Decon v Fred Baker* at [21]; *Thomson v Norwegian* at [29].

(4) In arriving at a fair specification, the tribunal should strike a balance between the respective interests of the proprietor, other traders and the public having regard to the protection afforded by a registered trade mark: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [29]; *ANIMAL* at [20].

(5) In order to decide what is a fair specification, the tribunal should inform itself about the relevant trade and then decide how the average consumer would fairly describe the goods or services in relation to which the trade mark has been used: *Thomson v Norwegian* at [31]; *West v Fuller* at [53].

(6) In deciding what is a fair description, the average consumer must be taken to know the purpose of the description: *ANIMAL* at [20].

(7) What is a fair description will depend on the nature of the goods, the circumstances of the trade and the breadth of use proved: *West v Fuller* at [58]; *ANIMAL* at [20].”

34) The General Court (“GC”) in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03 (“Aladdin”)* held that:

“43. Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44. With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45. It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or subcategories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46. Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of ‘part of the goods or services’ cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category.”

35) In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

36) From the table shown at paragraph 27 above it is clear that orders were placed for vests, t-shirts, sweatshirts, jeans, shirts, hoodies and jackets prior to 2 December 2011, and hence both of LBL’s marks must be considered to have been used on these items. Both marks are registered for “Articles of clothing, but not including boots, shoes or slippers”. To my mind it is not appropriate to reduce the specification registered given the breadth of the use. **Therefore, when conducting the comparison of goods I shall rely upon the registered specifications in relation to the opponent’s marks.**

37) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

(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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing decision

38) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods; I must then determine 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. 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.”

39) Both parties have specifications, broadly speaking, of clothing although that of LBL excludes footwear whilst that of BSS includes footwear and headgear and in addition protective clothing in class 9. I shall first consider the class 25 clothing aspect. Such goods will be sold in, inter alia, traditional retail outlets on the high street, through catalogues and on the Internet. As neither party's specifications are limited I must keep all of these trade channels in mind. The average consumer of the goods at issue is a member of the general public who is likely, in my opinion, to select the goods mainly by visual means. The term “general public” also includes businesses, such as the retail outlets who must obtain their stock from somewhere. I accept that more expensive items may be researched or discussed with a member of staff. In this respect I note that in *New Look Ltd v OHIM Cases T-117/03 to T-119/03 and T-171/03*, the GC said this about the selection of clothing:

“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.”

40) In the same case the Court also commented upon the degree of care the average consumer will take when selecting clothing. It said:

“43. It should be noted in this regard that the average consumer’s level of attention may vary according to the category of goods or services in question (see, by analogy, Case C 342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26). As OHIM rightly pointed out, an applicant cannot simply assert that in a particular sector the consumer is particularly attentive to trade marks without supporting that claim with facts or evidence. As regards the clothing sector, the Court finds it comprises goods which vary widely in quality and price. Whilst it is possible that the consumer is more attentive to the choice of mark where he or she buys a particularly expensive item of clothing, such an approach on the part of the consumer cannot be presumed without evidence with regard to all goods in that sector. It follows that that argument must be rejected.”

41) Clearly, the average consumer’s level of attention will vary considerably depending on the cost and nature of the item at issue. However, to my mind even when selecting routine inexpensive items of clothing such as socks, the average consumer will pay attention to considerations such as size, colour, fabric and cost. **Overall the average consumer is likely to pay a reasonable degree of attention to the selection of items of clothing. To my mind it is obvious that the same considerations apply to both footwear and headgear.**

42) Turning to consider protective clothing in class 9 it is clear that due to its specialised nature in protecting the body against specific threats such as fire or irradiation it will be chosen with a great deal of care. The average purchaser will be those working in hazardous professions such as firemen, glass handlers or forestry workers. The items will typically be purchased by both the workers and also their employers. Although no evidence was provided on the topic it is not unreasonable to assume that they will chose the clothing in much the same manner as normal items of clothing are chosen via traditional retail outlets on the high street, through catalogues and on the Internet. It is entirely possible that advice might be sought from a sales assistant or indeed from fellow workers in the same profession. They will therefore select the goods mainly by visual means, although I cannot ignore aural considerations. **Overall the average consumer for safety clothing is likely to pay a high degree of attention to the selection of items of clothing.**

Comparison of goods

43) In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their

method of use and whether they are in competition with each other or are complementary”.

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

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

45) The specifications of LBL’s two marks are identical and so, for the purposes of the comparison, I shall use a single list.

BSS ’s goods	LBL’s goods
Class 9: Clothing for protection against injury, accident, irradiation or fire.	Class 25: Articles of clothing, but not including boots, shoes or slippers.
Class 25: Clothing, footwear, headgear.	

46) In its skeleton BBS accepts that LBL’s class 25 specification of “articles of clothing” is identical to its class 25 specification of “clothing”; similar to its class 25 “footwear and headgear” and in respect of BBS’ Class 9 clothing there is a very low degree of similarity. For its part, LBL contended that there has been considerable cross over between work wear brands and casual clothing such as Dr Martin, Timberland and Caterpillar. They also referred me to the comments in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, where the GC stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM-Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.



47) I am content that the class heading should not be the final determinative. However, to my mind much of LBL’s contentions revolved around what could be described as heavy duty or hard wearing work wear rather than protective clothing designed to prevent injury. Mr Malynicz inventively referred me to a leather padded motorcycle jacket which could be worn as a fashion item or as protective clothing. However, if the jacket were truly designed

to protect a rider of a motorcycle it would have slider pads on the elbows and a back and neck protector which gives the impression of a hump on one's back and which is not flattering and unlikely to be worn as a fashion item. Whilst there is an overlap in that they are both articles of clothing, the purpose and users differ.

48) In summary I come to the conclusion that LBL's class 25 specification of "articles of clothing" is identical to its class 25 specification of "clothing"; similar to its class 25 "footwear and headgear" and in respect of BBS' Class 9 clothing there is a very low degree of similarity.

Comparison of trade marks

49) The trade marks to be compared are:

BBS's trade mark	LBL's trade marks
	<p>(1157991) HARD CORE</p> <p>(1197430)</p> 

Distinctive character of the earlier trade mark

50) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in *Joined Cases C-108/97 and C-109/97 Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

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

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.'

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

52) However the independent and distinctive element does not need to be identical. In *Bimbo SA v OHIM*, Case T-569/10, the GC held that:

"96. According to the case-law, where goods or services are identical there may be a likelihood of confusion on the part of the public where the contested sign is composed by juxtaposing the company name of another party and a registered mark which has normal distinctiveness and which, without alone determining the overall impression conveyed by the composite sign, still has an independent distinctive role therein (Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 37). There may also be a likelihood of confusion in a case in which the earlier mark is not reproduced identically in the later mark (see, to that effect, Joined Cases T-5/08 to T-7/08 *Nestlé v OHIM – Master Beverage Industries (Golden Eagle and Golden Eagle Deluxe)* [2010] ECR II-1177, paragraph 60)."

53) Further in *Anncos, Inc. v OHIM*, Case T-385/09, the GC considered an appeal against OHIM's decision that there was no likelihood of confusion between ANN TAYLOR LOFT and LOFT (both for clothing and leather goods) and found that:

"48. In the present case, in the light of the global impression created by the signs at issue, their similarity was considered to be weak. Notwithstanding the identity of the goods at issue, the Court finds that, having regard to the existence of a weak similarity between the signs at issue, the target public, accustomed to the same clothing company using sub-brands that derive from the principal mark, will not be able to establish a connection between the signs ANN TAYLOR LOFT and LOFT, since the earlier mark does not include the 'ann taylor' element, which is, as noted in paragraph 37 above (see also paragraph 43 above), the most distinctive element in the mark applied for.

49 Moreover, even if it were accepted that the 'loft' element retained an independent, distinctive role in the mark applied for, the existence of a likelihood of confusion between the signs at issue could not for that reason be automatically deduced from that independent, distinctive role in that mark.

50 Indeed, the likelihood of confusion cannot be determined in the abstract, but must be assessed in the context of an overall analysis that takes into consideration, in particular, all of the relevant factors of the particular case (*SABEL*, paragraph 18 above, paragraph 22; see, also, Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 37), such as the nature of the goods and services at issue, marketing methods, whether the public's level of attention is higher or lower and the habits of that public in the sector concerned. The examination of the factors relevant to this case, set out in paragraphs 45 to 48 above, do not reveal, *prima facie*, the existence of a likelihood of confusion between the signs at issue."

54) Earlier in this decision I found that use of mark 1157991 equated to use of LBL's 1197430 mark. I shall therefore compare the mark in suit to 1157991. Clearly both marks contain the word "HARD CORE". The only difference between them is the additional words "SAFETY FOOTWEAR" and a device element in the mark in suit. The device element consists of a border which will not be particularly noticed by the average consumer and the device element of three lines which give the appearance of being shatter marks as the lettering is slightly out of alignment either side of these lines. However, by far the most distinctive and dominant character of the mark in suit are the words HARD CORE. The device element will be noticed by most consumers but will not play a major role in identifying the origin of the goods. Similarly the term "SAFETY FOOTWEAR" when used on footwear will be seen as a simple descriptive element whilst when used on clothing etc. will be taken as an indication that the manufacturer started in footwear and has expanded into clothing etc. **To my mind, there is a medium level of visual and aural similarity between the marks.** Conceptually both marks call to mind an image of toughness and are therefore **conceptually very similar.**

55) **LBL's earlier trade marks are possessed of a reasonable to high degree of inherent distinctive character.** LBL has filed evidence of the use it has made of its earlier trade mark in the UK. The evidence is not put into context in terms of market share, nor is the UK market for any of the sub-categories described. **I am not willing to accept that LBL's use is enough for it to benefit from enhanced distinctiveness through use in respect of its marks in respect of the UK.**

Likelihood of confusion

56) In determining whether there is a likelihood of confusion, 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 vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of LBL's trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and 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 he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer is likely to pay a reasonable degree of attention to the selection of items of clothing, footwear or headgear, whilst in respect of safety clothing the average consumer is likely to pay a high degree of attention to their selection;
- In respect of class 25 goods, “articles of clothing” are to identical “clothing”; “Articles of clothing” are similar to “footwear and headgear”;
- In respect of BBS’ class 9 goods there is a very low degree of similarity to LBL’s class 25 goods;
- there is a medium level of visual and aural similarity between the marks, whilst conceptually they are very similar;
- LBL’s earlier trade marks are possessed of a reasonable to high degree of inherent distinctive character, but cannot benefit from enhanced distinctiveness.

57) I also take into account the comments of Mr Iain Purvis Q.C, acting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc* (BL-O/375/10), where he commented on the difference between direct and indirect confusion in the following terms:

“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).”

58) In my opinion, taking all the factors above into account, there is a likelihood of consumers being indirectly confused into believing that the class 25 goods of BBS are those of LBL or provided by some undertaking linked to them. **The opposition under Section 5(2) (b) therefore succeeds in respect of the class 25 goods.**

59) However, even though there is a medium level of similarity between the marks, the low degree of similarity between LBL's goods in class 25 and BBS' s goods in class 9 is such that there is no likelihood of consumers being confused into believing that the goods provided by BBS are those of LBL or provided by some undertaking linked to them. **The opposition under Section 5(2) (b) therefore fails in respect of the class 9 goods.**

60) I now turn to consider the revocation actions against LBL's two registered trade marks. The revocation actions are based upon Section 46(1)(b) of the Trade Marks Act 1994, the relevant parts of which read as follows:

"Section 46(1) of the Act states that:

"The registration of a trade mark may be revoked on any of the following grounds-

- (a) ...
- (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
- (c).....
- (d).....

(2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and 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.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

61) 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.”

62) Revocation is sought under Section 46(1)(b) in respect of the time periods 5 September 2006 – 4 September 2011 and 5 September 2007 – 4 September 2012. Revocation is therefore sought from 5 September 2011 and 4 September 2012. The revocation actions were filed on 5 September 2012.

63) Earlier in this decision (paragraph 36) I reached a conclusion that LBL had provided proof of use of both of its trade marks in respect of the whole of their registered specifications prior to 2 December 2011. **As this use is within the revocation period specified above it means that both revocation actions must fail.**

CONCLUSION

64) I have found that:

- **The opposition under Section 5(2) (b) succeeds in respect of the class 25 goods, but fails in respect of the class 9 goods.**
- **LBL has shown use of both its marks in respect of the whole of their registered specifications and as such both revocation actions must fail.**

COSTS

65) Both sides enjoyed a degree of success in the opposition whilst LBL successfully defended its marks against revocation. LBL is therefore entitled to a contribution towards its costs. I also take into account that an earlier Case Management Conference was held where BSS was successful.

Preparing a statement and considering the other side's statement x 3	£600
CMC	-£200
Preparing evidence and considering and commenting on the other side's evidence	£900
Preparing for and attending a hearing	£900
TOTAL	£2200

66) I order BSS Group Limited to pay Local Boy'z Limited the sum of £2200. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 20th day of January 2015

**George W Salthouse
For the Registrar,
the Comptroller-General**