0-226-15

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK REGISTRATION 3017352 IN THE NAME OF NARO DERN LIMITED (PREVIOUSLY BEAUTIFY COSMETICS LIMITED) OF THE FOLLOWING TRADE MARK IN CLASS 3:

Beautifi Cosmetics

AND

AN APPLICATION FOR INVALIDATION (NO. 500459) BY DESIGNER HABITAT LTD

Background and pleadings

1. The trade mark **Beautifi Cosmetics** was filed on 8 August 2013 by Beautify Cosmetics Limited, company number 07056857. The mark was registered on 6 June 2014. On 19 November 2014 the company changed its name to Naro Dern Limited. Although it has never asked for its name to be changed on the register, I will refer to the proprietor as Naro Dern Limited (hereafter "the proprietor") as this is its correct legal name. There are other issues to do with the name, issues that I will come on to. The proprietor's mark is registered for the following goods:

Class 3: Cosmetics for personal use; Cosmetics.

2. Designer Habitat Limited ("the applicant") seeks invalidation of the mark on the basis of section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The applicant relies on registration 2567911 consisting of the word **Beautify**. The applicant's mark was filed on 23 December 2010 and registered on 6 May 2011 for the following goods:

Class 3: Non-medicated preparations for the care of the hair, skin and scalp, hair lotions, hair setting lotions, hair lacquer, hair oil, other hair-care products, hair dyes, depilatory products, soaps, including deodorising soaps, deodorants for personal use, body lotions, herbal oils, shampoos, shaving creams, aftershaves, bath and shower products, including bath salts and bath milk, skin-cleansing and skin-care products, moisturising creams, sun oils, sun creams, non-medicated sun protection products, tanning agents and skintinting agents; cosmetic products, namely face powders, skin creams, foundation creams, cover-up creams, make-up, rouge, eyeshadows, eyebrow pencils, eyebrow colour, mascaras, lipsticks, lip rouge and lip pomade; ethereal oils, perfumeries and perfumery goods, aromatic substances and fragrances as far as they are contained in Class 3; fragrant dried plants, parts of plants, flowers, blooms, fruits and fruit seeds, all being pot pourri; aromatic cushions, room sprays as fragrance sprays.

3. Given the date of filing, the applicant's mark qualifies as an earlier mark in accordance with section 6 of the Act. Furthermore, given that it had not been registered for more than five years at the date on which the applicant requested invalidation, the proof of use provisions in section 47(2A) of the Act do not apply. The earlier mark may, consequently, be relied upon for all its goods. The applicant asserts that:

"The two marks are similar visually and aurally, with both trade marks being pure word marks. In fact, the terms 'Beautify' and 'Beautifi' are identical aurally. The trade mark opposed claims in class 3 protection for the goods 'Cosmetics for personal use; cosmetics.' All claimed goods are identical to the goods protected by the earlier mark, most notably 'cosmetic products', thus giving rise to confusion in the mind of the public.

Overall, given the fact the goods at issue are identical and there is considerable visual and aural similarity between the signs in question, there is undoubtedly a high likelihood of confusion for the average consumer, and thus section 5(2) of the Trade Marks Act 1994 is satisfied."

4. The proprietor filed a counterstatement denying the applicant's grounds. In its counterstatement the proprietor refers to its prior right of five years and claims that the proprietor and applicant sell different products to different markets. The proprietor also requested proof of use, however, this is misconceived because, as stated earlier, the proof of use provisions are not applicable to the earlier mark.

5. The applicant is represented by Briffa, the proprietor by MSB Solicitors. Neither side filed evidence, but both filed written submissions. Neither side requested a hearing. The applicant filed written submissions in lieu of a hearing, the proprietor did not.

The name of the proprietor

6. The applicant noted that when the proprietor filed its application for registration it gave company number 07056857 as the legal entity making the application. The legal entity was identified as Beautifi Cosmetics Limited not its correct legal name at that time which was Beautify Cosmetics Limited (my emphasis in both names). As noted earlier, company 07056857 has now changed its name to Naro Dern Limited. The applicant further noted that when it filed its defence the proprietor identified the registrant of the mark by a different name again, Beautifi Limited.

7. The main purpose of the applicant raising these points appears to do with the prospect of the proprietor filing evidence of its claimed prior rights, the applicant questioning whether use could be relied upon if it was not clear who was making the use. However, as no evidence of use was filed, any questions to do with this issue no longer arise. For the purpose of this decision, I will assume that the proprietor has simply made some typographical errors along the way. The applicant for the trade mark was identified as company 07056857, and I will use the correct legal name of that company for the purpose of this decision.

Issues which are not relevant

8. The proprietor has raised a number of issues which, in my view, are not relevant to the matters that need to be determined. Those issues, and my reasons for saying that they lack relevance, are as follows:

- i) The proprietor has referred to its claimed prior rights in its mark. This is not pertinent for two reasons. Firstly, the proprietor has failed to file any evidence in support of its claim. Secondly, even if it had, the existence of a prior right is not a defence. The proprietor has not sought to invalidate the applicant's earlier mark. The relevance of this (or more accurately the lack of relevance) is set out in tribunal practice notice 4/2009. The proprietor has not identified any other reason why its claimed prior right is relevant.
- ii) The proprietor has referred to the different goods the parties actually sell and the different markets they target. This is not pertinent because it is the notional and fair use of the marks and the goods for which they are registered that must be considered. Marketing strategies are not only extraneous to the registrations at issue, they are also things that could change over time; see, for example, the judgment of the General Court in

NHL Enterprises BV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-414/05.

iii) The proprietor also refers (in its written submissions) to the existence of copyright in the word **Beautifi**. This fails for similar reasons to i) above due to lack of supporting evidence and the lack of any pertinence in terms of forming the basis for a defence. In any event, any claim to copyright could only be on the basis that the word qualifies as a literary work, however, I very much doubt that a single word could be classed as a literary work.

The case-law and legislation

- 9. 5(2(b) of the Act states that:
 - "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."

10. The following principles are gleaned from the judgments 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 goods

11. In relation to understanding what terms used in the respective specifications mean/cover, the case-law informs me that "in construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade"¹ and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning². I also note the judgment of Mr Justice Floyd in *YouView TV Limited v Total Limited* where he stated:

"..... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 The Chartered Institute of Patent Attorneys (Trademarks) (IPTRANSLATOR) [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of "dessert sauce" did not include jam, or because the ordinary and natural description of

¹ See British Sugar Plc v James Robertson & Sons Limited [1996] RPC 281

² See Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another [2000] FSR 267

jam was not "a dessert sauce". Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

12. Even if goods are not worded identically, they can still be considered identical if one term falls within the ambit of another (or vice versa), as per the judgment in *Gérard Meric v OHIM*, Case T-133/05.

13. The proprietor's mark stands registered for cosmetics (including cosmetics for personal use). The earlier mark covers various products as follows:

Non-medicated preparations for the care of the hair, skin and scalp, hair lotions, hair setting lotions, hair lacquer, hair oil, other hair-care products, hair dyes, depilatory products, soaps, including deodorising soaps, deodorants for personal use, body lotions, herbal oils, shampoos, shaving creams, aftershaves, bath and shower products, including bath salts and bath milk, skin-cleansing and skin-care products, moisturising creams, sun oils, sun creams, non-medicated sun protection products, tanning agents and skin-tinting agents; cosmetic products, namely face powders, skin creams, foundation creams, cover-up creams, make-up, rouge, eyeshadows, eyebrow pencils, eyebrow colour, mascaras, lipsticks, lip rouge and lip pomade; ethereal oils, perfumeries and perfumery goods, aromatic substances and fragrances as far as they are contained in Class 3; fragrant dried plants, parts of plants, flowers, blooms, fruits and fruit seeds, all being pot pourri; aromatic cushions, room sprays as fragrance sprays.

14. Although the earlier mark does not cover the term cosmetics at large, it covers such a large range of cosmetics that it effectively does. On the principle outlined in *Gérard Meric v OHIM*, the respective goods may be considered as identical.

Average consumer and the purchasing act

15. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. 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." 16. The goods of both parties are in the field of cosmetics. Although the cost of these goods can vary, they are not, generally speaking, highly expensive and will be purchased fairly frequently. I consider the purchasing process to be a normal, reasonably considered one. The goods will most often be self-selected from a shelf (or the online equivalents) and the marks may be exposed visually in advertising and websites etc. I consider that the visual impact of the marks will take on more importance, although I will not ignore the aural impact completely as sometimes sales advisors are involved in the process. It could be said that certain types of cosmetics are purchased with greater care because they can be expensive. However, this should not be overplayed because whilst there may be some expensive cosmetics, there are also much cheaper versions of the same thing; confusion must be considered from that perspective also.

Distinctiveness character of the earlier mark

17. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, based either on inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). 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 *WindsurfingChiemsee* 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)."

18. No evidence has been filed so I have only the inherent qualities of the earlier mark to consider. The word beautify has a clear meaning. Even without turning to a dictionary, one knows that the word means something along the lines of "to make oneself beautiful". One will "beautify" themselves via the use of cosmetic products. The word and its context is likely to be known by the average consumer. Whilst there are mixed national authorities on the point³, the judgment of the CJEU in *Formula*

³ Compare Wella Corporation v Alberto-Culver Company [2011] EWHC 3558 with Samuel Smith Old Brewery v Philip Lee [2011] EWHC 1879 at paragraph 82

One Licensing BV v OHIM indicates that a registered trade mark must be considered to have at least a minimum degree of distinctive character and, therefore, it is not open to me to find that the earlier mark lacks distinctive character completely. In terms of what level of distinctive character the mark has, it is clear that the mark sends a strong suggestive/allusive signal and I consider it to be low in inherent distinctive character.

Comparison of marks

19. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

Beautify vs Beautifi Cosmetics

21. The earlier mark consists of just one element (the word Beautify), upon which its overall impression will be based. The applied for mark consists of two words, Beautifi Cosmetics, however, given that the word "Cosmetics" is purely descriptive, the word Beautifi has greater relative weight in its overall impression.

22. In terms of conceptual similarity, I have already touched upon the concept behind the word Beautify. It seems to me that the word Beautifi will, at least by a significant proportion (probably the majority) of average consumers, be approximated with the word beautify. For those that see it that way the concepts are virtually the same, notwithstanding the additional word Cosmetics in the mark. For those that see it differently, with perhaps **Beautifi** being seen as an invented word that simply makes a nod towards beauty in general, there is less (but still some) conceptual similarity.

23. Visually, both marks start with the same seven letters Beautif-, although the next letter (y/i) differs. The applied for mark also has an additional word. I nevertheless consider that there is a reasonable degree of visual similarity. A similar assessment

runs through the aural comparison with, in my view, the Beautifi element of the applied for mark being articulated in the same (or at least highly similar) way as Beautify, although, the additional word Cosmetics also forms part of the applied for mark's articulation; there is a reasonable degree of aural similarity.

Likelihood of confusion

24. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

25. I come to the view that in respect of the identical goods involved here, in circumstances where the marks are similar to a reasonable degree both aurally and visually, where one of the differences that does exist between the mark resides in a descriptive element, where the concept is either virtually the same (for the majority of average consumers) or else still similar, I consider that there is a likelihood of confusion. This is so despite the low level of distinctive character in the earlier mark. As stated earlier, the mark must be regarded as distinctive (to some degree) and when such distinctiveness is assumed, the differences that exist between the marks are not sufficient to avoid confusion. The word Cosmetics does little to assist the distinguishing process because it is descriptive, and the change of the "i" for a "y" is something that could easily be lost in imperfect recollection. There is a likelihood of confusion and, subject to appeal, the registration of Beautifi Cosmetics is invalid and is deemed never to have been made.

<u>Costs</u>

26. The applicant has succeeded and is entitled to a contribution towards it costs. My assessment is as follows:

Preparing a statement and considering the other side's statement - £300 Official fee - £200 Submissions - £300

27. I therefore order Naro Dern Limited to pay Designer Habitat Limited the sum of £800. This should be paid within 14 days of the expiry of the appeal period or within 14 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 20th day of May 2015

Oliver Morris For the Registrar, The Comptroller-General