

**O-085-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3062211 BY  
NEW NEW INC & NEW NEW INC LIMITED TO REGISTER:**



**IN CLASSES 9 & 25**

**AND**

**IN THE MATTER OF OPPOSITION  
THERE TO UNDER NO. 403485 BY  
SPEEDO HOLDINGS B.V.**

## BACKGROUND

1. On 30 June 2014, New New Inc and New New Inc Limited (“the applicants”) applied to register the trade mark shown on the cover page of this decision. The application was published for opposition purposes on 26 September 2014 for the following goods:

**Class 9** - Nose clips for swimming; swimming goggles; masks for swimming; breathing apparatus for underwater swimming.

**Class 25** - Cap visors; swim wear for gentlemen and ladies; swim briefs; swim suits; cap peaks; peaks (cap -); swimming caps; swimming caps [bathing caps].

2. The application is opposed by Speedo Holdings B.V. (“the opponent”) under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). The opposition under both grounds is directed against all of the goods in the application. Under section 5(2)(b) the opponent relies upon the goods (shown below) in the following trade mark registrations:

No. 869053 for the trade mark: **SPEEDO** which was applied for on 9 September 1964:

**Class 25** - Sportswear and swimwear, all being articles of clothing, but not including vests, pants, stockings or socks, or any goods of the same description as any of these excluded goods.

No. 1063208 for the trade mark: **SPEEDO** which was applied for on 20 May 1976:

**Class 9** - Suits and gloves, all for divers, ear plugs for swimmers and for divers, wet suits for diving, swimming jackets, bathing floats, life-buoys and goggles.

**Class 25** - Articles of sports clothing, bathing caps, trousers, shorts, tracksuits, swimwear and footwear, all being articles of clothing.

No. 1527334 for the trade mark: **SPEEDO** which was applied for on 18 February 1993 and which completed its registration process on 7 March 1997:

**Class 9** - ear plugs for swimmers and for divers, wet suits for diving, swimming jackets, bathing floats, lifebuoys, goggles; breathing apparatus for underwater swimming, marking buoys, divers' apparatus, divers' masks, floats for swimming, life-saving apparatus and equipment, swimming belts all included in Class 9.

Community Trade Mark (“CTM”) No. 493445 for the trade mark: **SPEEDO** which was applied for on 20 March 1997 and which completed its registration process on 14 June 1999:

**Class 9** - swimmers and divers earplugs, wetsuits for diving, swimming jackets, bathing floats, life buoys, life belts, breathing apparatus for underwater swimming, goggles.

**Class 25** - Clothing, footwear and headgear.

3. The opponent indicates that its SPEEDO trade mark has been used “throughout the UK and EU in relation to the goods covered” by the trade marks upon which it relies. It states that it uses the trade mark SPEEDO in the format:



It adds that the trade mark applied for is “visually very similar to [its] mark SPEEDO, in particular in the form as used by [it].”

4. It further states that the mark applied for “will be pronounced “speed” by the relevant public in the UK, which is aurally similar” to its SPEEDO trade marks and that the competing trade marks “are conceptually identical, both being “speed” marks. The opponent claims that the “goods covered by the application are identical to the goods [covered by its trade marks] and for which it enjoys a significant reputation in the UK.”

5. Under section 5(3) of the Act, the opponent relies solely upon its CTM and the goods mentioned above. It states:

“11. Further, the Opponent enjoys a significant reputation in relation to the mark SPEEDO in the UK and EU due to the use made of it in relation to the goods covered by the Opponent’s earlier rights. The mark SPEEDO has been used by the Opponent in the UK since at least 1954, and has been continuous since this date. The Opponent has invested a significant amount of money and effort into promoting the trade mark, so that it has now become well known to the general public in the UK and EU.

12. Use of the Opposed Mark, which is likely to cause confusion on the part of the relevant public with the Opponent, will take unfair advantage of the significant work and expenditure that the Opponent has invested into promotion of the mark SPEEDO.

13. The Opponent’s goods sold under the mark SPEEDO are known to be the best in their field. The Opponent’s competition swimsuits have been worn by some of the world’s greatest swimmers including Michael Phelps, who wore SPEEDO suits during each of his historic Olympic medal winning performances, and Rebecca Adlington. The Opponent has invested a significant amount of money and time into developing cutting edge technology to improve their products, and to remain the best in their field.

14. Use of the Opposed Mark could cause detriment to the Opponent's reputation, as the goods sold by the Applicants under the Opposed Mark will not be of the same quality as the Opponent's goods. If customers purchase the Applicant's goods in the belief that they are the Opponent's goods or are in some way associated with the Opponent, and they are not of the same quality and performance as the Opponent's goods, the Opponent's reputation for high quality goods will be damaged.

15. Further, use and registration of the Opposed Mark will dilute the Opponent's rights in the mark SPEEDO. The mark SPEEDO is distinctive and widely recognised by the general public in the United Kingdom, and as a result the Opponent enjoys significant rights which allow it to prevent use and/or registration of identical and similar marks in relation to Identical and similar goods. These rights enable the Opponent to maintain its exclusivity in the mark SPEEDO: to prevent third parties from using marks which are designed to take advantage of the Opponent's significant reputation; and to prevent the mark from becoming generic in the eyes of the general public. If the Opposed Mark is registered, the Applicant will obtain registered rights in a similar mark in relation to identical goods, which falls within the scope of the Opponent's rights. This will mean that the Opponent will not be able to prevent use of the Opposed Mark by an action for registered trade mark infringement, and will lose its exclusivity in the mark SPEEDO. If the Opponent is not able to prevent use of the Opposed Mark, which has clearly been designed to appear to be almost identical to the Opponent's SPEEDO, mark the public may believe that there is an economic link between the parties, and purchase the Applicant's goods in the belief that they are the Opponent's goods, or authorised by the Opponent. The Applicant would therefore be able to deceive the public, and the Opponent would not be able to prevent the Applicant from taking unfair advantage of its reputation. In addition, if different parties, such as the Applicant, are permitted to use marks so similar to the SPEEDO mark in relation to identical goods, the public may view the SPEEDO mark as generic in relation to these goods, as they will no longer believe that the mark designates that the goods come from a single source. Therefore, it is clear that if the Opposed Mark is registered, it will dilute and weaken the Opponent's significant rights in the mark SPEEDO, and will cause a detriment to distinctive character and repute, including where potential licensing of the SPEEDO mark is concerned.

16. Overall, it is clear that use of the Opposed Mark without due cause would take unfair advantage of, and be detrimental to the distinctive character and the repute of the opponent's earlier trade mark."

6. The applicants filed a counterstatement in which they ask the opponent to provide proof of use in relation to:

"UK mark number 869053. Goods required: Swim Goggles, Swim cap."

7. They go on to deny the basis of the opposition, stating:

“1. Obviously there is crossover in the two names, with the inclusion of the word “speed”. This is a generic root word. Akin to describing food as “delicious” or a sweater as “comfortable”, the use of a generic English adjective that describes an important facet of all swimwear (long preceding Speedo’s existence) is not my client’s fault – it reflects, rather that your client long ago chose from a crowded field of adjectives. In short, “although “Speedo” is unique” “speed” is not.

If it were a word similar to “Reebok” or “Tesco” or something with an inherently unique word root, a name such as “O-Reebok” or “I-Tesco” would of course be more likely to lend itself to confusion among consumers. But Speedo chose to modify “speed”, and they no more own the word “Speed.”

2. A space alien (or attorney, for similar reasons) might be inclined to see an incredible similarity with having a vowel at the end of one root word, and a different vowel at the beginning same word root. Yet, among everyday humans, one vowel is the difference between “spot” and “spit”. Even an umlaut or an accent is an entire world of difference among languages that use them.

3. The distinguishing aspect of the Speedo logo is the delta beneath it. IspEEEd uses uppercase letters “EE” in the logo, while speedo uses lowercase letter “speedo.”

8. Both parties filed evidence and submissions during the course of the evidence rounds. Whilst no hearing was sought, both parties filed written submissions in lieu of attendance at a hearing; I shall refer to these submissions, as necessary, below.

## **Evidence**

9. The opponent’s evidence-in-chief consists of a witness statement and ten exhibits from Jennifer Good, a Trade Mark Attorney at the opponent’s professional representatives, Steven Hewlett & Perkins.

10. In his written submissions filed in response to the above evidence, Hauyi Lian, who is a director of New New Inc Limited, stated:

“2. Since Speedo is well known, it is well known as “Speedo”...In their promotion and advertisement, they have been advertised as “Speedo”...”

11. The applicants clearly accept that the opponent’s “Speedo” trade mark is “well known”. Although they do not specify in relation to which goods they consider “Speedo” to be well known, in the context of the evidence filed by the opponent in these proceedings (which relates primarily to swimming related goods in classes 9 and 25), it is, in my view, a reasonable inference that it is in relation to these type of goods that the admission is made. That being the case, I do not intend to produce a full summary of

the opponent's evidence, but will instead focus on the main points which emerge from it, which are, in my view, as follows:

- The opponent and its predecessors in title commenced use of the trade mark SPEEDO in 1928 (exhibit JKG1);
- The SPEEDO trade mark has been used continuously since conception and is now known as “the World’s leading swimwear brand”;
- The opponent is well known in the UK not only for its swimwear goods, but also for its sponsorship of some of the world’s best athletes (exhibit JKG2);
- The opponent’s most notable past sponsorship was of Michael Phelps, the most decorated Olympian of all time (exhibit JKG3). Mr Phelps wore SPEEDO suits during every one of his Olympic medal winning performances and was awarded a bonus of \$1m by the opponent for his world breaking performance at the 2008 Beijing Olympics;
- The opponent also sponsored the British swimmer Rebecca Adlington OBE. Exhibit JKG 4 is a page from Ms Adlington’s website dated 20 January 2009, attesting to her sponsorship by the opponent;
- Exhibit JKG 5 consists of details of “the percentage of Olympic medals in the swimming events won by athletes wearing SPEEDO swimsuits”. As examples, in 2008, 89% of all medallists at the Beijing Olympics wore SPEEDO swimsuits, whereas at the London Olympics in 2012 the figure was 57%;
- Exhibit JKG 6 consists of what Ms Good describes as “various media reports featuring the...SPEEDO mark”. The dates of the extracts provided (which are drawn from a diverse range of local, national and specialist publications) range from April 2007 to March 2012. It is possible to identify the word SPEEDO (presented in a range of formats) on a not insubstantial number of the pages provided;
- The opponent sponsors “several national swimming teams, organisations and events” and was an official provider to the Glasgow 2014 Commonwealth Games which began on 23 July 2014. Exhibit JKG 7 consists of extracts from various official games programmes in which the opponent is described in, for example, the following terms: “Speedo named official swimwear provider for Glasgow 2014.”
- The opponent is involved in a number of charitable sponsorships. Exhibit JKG8 consists of web pages relating to, inter alia, the opponent’s sponsorship of events in 2011, 2012 and 2013;

- In 2014, the opponent was awarded “The Fan Brand of the Year” at the Sports Technology Awards in London; a fact confirmed by exhibit JKG 9 in which the following appears: “Speedo has an incredibly loyal band of customers. A huge number of votes were received via social media from across the globe for this innovative company”;
- Exhibit JKG 10 consists of sales brochures from 1991, 1992, 2008, 2010, 2012 and 2014. The brochures show use in relation to a wide range of swimwear and accessories such as goggles, bathing caps and training aids for swimming, as well as in relation to a range of leisure/sports clothing including hats and shoes.

Ms Good concludes her statement in the following terms:

“14. The evidence submitted...clearly show that the mark SPEEDO is well known in the UK and globally. The mark has an undeniable reputation...

15. In addition, the evidence submitted clearly shows that the mark SPEEDO is

predominantly used in the format , and that the public will recognise this stylisation of the word as being the opponent’s brand identity.”

### **The applicants’ evidence**

12. As I mentioned earlier, the applicants’ evidence consists of a witness statement from Hauyi Lian. Mr Lian states:

“2. From the consumer reviews posted on Amazon, there is evidence that consumers are aware that the Ispeed products are alternative to, and not the same as, the Speedo products...”

13. Exhibit JKG2 to Mr Lian’s statement (there is no exhibit JKG1) consists of what he describes as:

“2...a printout from the Amazon website of customers review.”

14. These reviews are dated between 10 October 2014 and 19 March 2015 i.e. all are after the date of the application for registration. The relevant parts of these reviews read as follows:

“...Most either let in water, hurt or both. Speedo are the worst for me. Over the past 10 years I had Zoggs...When I decided to replace my last Zoggs pair I...found these which do deliver as well as many other reviewers have testified before me...Highly recommended.” (10 October 2014);

“...Very pleased with these goggles used speedo previously...so these ispeed goggles seem very good value for your £.” (12 October 2014);

“These goggles are excellent....I previously had a pair of Speedo Biofuse...I decided to cut my losses and try these ISpeeds...” (18 October 2014);

“After my trusted Speedos eventually started to leak I bought new Nikes that...I then bought these Ispeed...I am a total convert I love them.” (28 October 2014);

“The strap snapped on my old pair of goggles (Speedos) so I needed new ones. I have to admit after wearing these for the first time I wished I’d replaced my old ones earlier as they are better in every department...” (16 November 2014);

“...the best bit is they don’t leave imprinted ring marks around their eyes like their last speedo ones did...” (19 March 2015).

### **The opponent’s evidence-in-reply**

15. This consists of a further witness statement from Ms Good. Exhibit JKG11 consists of what Ms Good describes as “further reviews from [www.amazon.co.uk](http://www.amazon.co.uk)” in relation to “Ispeed Mirror Pro Swim Goggles (Black)”. Ms Good points to two reviews dated 13 October and 20 November 2014 (i.e. also after the date of the application) which contain the following:

“I would think very carefully before purchasing these goggles. My old Speedo’s were far superior...” (13 October 2014);

And:

“The logo is perhaps trying to be mistaken for “Speedo” and I wouldn’t be surprised if there was an intellectual property case brewing over that. I love Speedo goggles so was on the defence at a “pretender” – but could not really find much wrong with these...All in all a nice, comfortable pair of goggles – that didn’t need to pretend to be Speedo to be good” (20 November 2014).

Of the first extract, Ms Good states:

“3...This statement suggests that the purchaser believes that these goods are also SPEEDO goods.”

I also note the following which appears in a review dated 24 December 2014:

“...Speedo’s are my reserve pair...The Ispeed pair, that I received free for review purposes...this Ispeed pair are doing better than that...”

16. Exhibit JKG12 consists of extracts obtained from [amazon.co.uk](http://amazon.co.uk) and [amazon.com](http://amazon.com) in relation to “Ispeed Silicone Ear Plugs + Nose Clip Set (Orange)”; although indistinct, an image of the mark in what appears to be the form applied for appears on page 1 of this exhibit. Ms Good points to the following review dated 10 July 2015 (again after the date of the application) which appeared on [amazon.com](http://amazon.com):



“I bought these because I trust the Speedo brand and I had a hard time finding plugs and clips that matched my speedo and goggles and these fit the bill. First off, the ear plugs work perfectly and fit great. The nose clip did too. Until I took it off to show my friend and went to put it back on and it snapped in two. On the first day of wearing it. Highly disappointed...”

Of this extract Ms Good states:

“4...The purchaser clearly made their purchase of these goods believing that they are SPEEDO goods. The fact that the purchaser was also clearly disappointed with the product shows that not only is confusion between the mark applied for and the opponent’s mark SPEEDO real, but that the opponent is suffering damage in the form of lost sales and damage to its reputation as a result.”

17. That concludes my summary of the evidence filed to the extent that I consider it necessary.

## **DECISION**

18. The opposition is based upon sections 5(2)(b) and 5(3) of the Act which read as follows:

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

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

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

(3) A trade mark which –

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

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

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

20. In these proceedings, the opponent is relying upon the four trade marks shown in paragraph 2 above, all of which consist of the word SPEEDO presented in plain block capital letters and all of which qualify as earlier trade marks under the above provisions. As all of these earlier trade marks completed their registration process more than 5 years before the publication date of the application in suit, they are, in principle, subject to proof of use, as per section 6A of the Act. In its Notice of opposition, the opponent states that its earlier trade marks have been used upon all of the goods I have reproduced above. In their counterstatement, the applicants responded to the question: “Do you want the opponent to provide “proof of use”” by ticking the “Yes” box. Having done so, it was then necessary for the applicants to consider the following instructions:

**“List of goods and/or services**

List goods/services for which you require “proof of use”...

And:

**“Note:** If more than one trade mark is being relied upon by the opponent..., please provide the number(s) of the trade mark(s) for which you would like the other party to provide “proof of use””.

In response to those instructions the applicants entered the following text:

“UK mark number 869053. Goods required: Swim Goggles, Swim cap.”

21. I begin by noting that as trade mark No. 869053 does not include a reference to “Swim Goggles”, the applicants request in that regard was clearly an error. Whilst the applicants were, however, entitled to ask the opponent to provide proof of use in relation to “Swim cap” (an item that would fall within the broad term “swimwear” in the specification of the earlier trade mark mentioned), I note that they did not ask the opponent to provide proof of use in relation to either “Sportswear” or indeed “swimwear” at large. Regardless, as the applicants have not asked the opponent to provide proof of use in relation to any of the other trade marks upon which they rely (trade marks whose specifications include, for example, “bathing caps” - No. 1063208), the applicants request in relation to the item “Swim cap” in relation to No. 869053 is academic, and I need say no more about it.

## **The opposition based upon section 5(2)(b) of the Act**

22. I will deal first with the opposition based upon section 5(2)(b) of the Act.

### **Section 5(2)(b) – case law**

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

### **The principles**

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a greater 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.

### Comparison of goods

24. As I mentioned above, the opponent is entitled to rely upon, inter alia, all of the goods it has identified in three of the four registrations upon which it relies. In my view, the opponent's registration Nos. 1063208 and 1527334 offer it the most obvious prospect of success and it is on the basis of these registrations that I will conduct the comparison of goods. The competing goods are as follows:

<b>The opponent's goods</b>	<b>The applicants' goods</b>
<p>No. 1063208:</p> <p><b>Class 9</b> - Suits and gloves, all for divers, ear plugs for swimmers and for divers, wet suits for diving, swimming jackets, bathing floats, life-buoys and goggles.</p> <p><b>Class 25</b> - Articles of sports clothing, bathing caps, trousers, shorts, tracksuits, swimwear and footwear, all being articles of clothing.</p> <p>No. 1527334:</p> <p><b>Class 9</b> - ear plugs for swimmers and for divers, wet suits for diving, swimming jackets, bathing floats, lifebuoys, goggles; breathing apparatus for underwater swimming, marking buoys, divers' apparatus, divers' masks, floats for swimming, life-saving apparatus and equipment, swimming belts all included in Class 9.</p>	<p><b>Class 9</b> - Nose clips for swimming; swimming goggles; masks for swimming; breathing apparatus for underwater swimming.</p> <p><b>Class 25</b> - Cap visors; swim wear for gentlemen and ladies; swim briefs; swim suits; cap peaks; peaks (cap -); swimming caps; swimming caps [bathing caps].</p>

25. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* case T-133/05, the General Court (“GC”) stated:

“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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

### **Class 9**

26. As the applicants’ “Nose clips for swimming” would be included within the term “divers’ apparatus” in No. 1527334, they are to be regarded as identical on the principles outlined in *Meric*; “swimming goggles” in the application are identical to “goggles” in both earlier trade marks on the same basis. As “masks for swimming” in the application is simply an alternative way of describing “divers’ masks” in No 1527334, the goods are identical as is “Breathing apparatus for underwater swimming” which appears in both the application and in No. 1527334.

### **Class 25**

27. As “Cap visors”, “cap peaks” and “peaks (cap-)” in the application would all be included in the general phrase “Articles of sports clothing” in No. 1063208, the competing goods are, once again, identical on the *Meric* principle. Similarly, as “swim wear for gentlemen and ladies; swim briefs; swim suits” in the application are all included within the term “swimwear” in the same registration, they too are identical on the same basis. Finally, “swimming caps; swimming caps [bathing caps]” in the application are identical to “bathing caps” in the same registration.

### **The average consumer and the nature of the purchasing decision**

28. 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.”

29. In its submissions, the opponent states:

“21...The average consumer for the parties’ goods is the general public at large and, specifically, adults and children who engage in the act of swimming or diving either for recreational purposes or as competitive sports. The purchasing process is likely to be primarily visual, made on the basis of product tags and labels on goods, as well as on sight of marks used as product descriptions on websites. The level of attention will generally be of a low to normal level.”

30. I agree that in relation to the goods at issue the average consumer will be a member of the general public. As such goods are most likely to be the subject of self- selection from retail premises on the high street or their on-line equivalent, I also agree that the selection process will be primarily visual, although I do not discount an aural component as some goods, wet suits and goggles for example, may well be the subject of discussions with a salesperson prior to purchase. As to the degree of attention likely to be paid during the selection process, although the cost of the majority of the goods at issue is unlikely to be particularly high, as the average consumer will need to consider factors such as suitability for purpose, materials used, size/fit colour etc. I would expect them to pay at least an average degree of attention, a level of attention which is likely to rise when selecting more technical goods such as those mentioned earlier.

### **Comparison of trade marks**

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

It would be wrong, therefore, artificially to dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the trade

marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the trade marks. The trade marks to be compared are:

Opponent's trade mark	The applicants' trade mark
SPEEDO	

**The correct approach to the comparison**

32. In their counterstatement, the applicants refer to “The distinguishing aspect of the Speedo logo is the delta beneath it...”. However, as the opponent points out, this is not the trade mark upon which it relies. In reaching a conclusion in these proceedings, what I must do is compare the trade mark that has been applied for with the trade mark upon which the opponent relies.

33. Although the opponent's trade mark consists of a single word no part of which is highlighted or emphasised in anyway, it will not, in my view, go unnoticed that the first five letters of the opponent's six letter trade mark form the well-known English language word SPEED. That, in my view, is the overall impression the opponent's trade mark will convey.

34. The applicants' trade mark consists of a number of elements. The first, is a blue roughly circular device with flourishes pointing in different directions emanating from the centre of the top and bottom of the device. Within the body of the circular device is a letter “I” presented in upper case in white. To the left of the device is the second element, which the applicants state is presented as “spEEd”. Although that may have been the applicants' intention, in my view, the average consumer will perceive this second element as the word “speed” presented in lower case and in the same colour blue as the device element. Given their size and positioning as the first element of the applicants' trade mark, the distinctive combination of the device and the letter “I” will have a high relative weight in the overall impression the trade mark conveys. Although the word “speed” is somewhat smaller than the device and letter combination which accompanies it, it too makes an important contribution to the overall impression, although in relation to the majority of the goods for which registration is sought, the word “speed” has, as the applicants argue, obvious descriptive qualities i.e. goods in classes 9 and 25 which allow the wearer to achieve a higher speed when swimming. Considered overall, the device and letter combination and the word “speed” make a roughly equal contribution to the overall impression the applicants' trade mark conveys.

35. Considered from a visual perspective, the competing trade marks share the word “SPEED”/“speed” as the first five letters of the opponent’s trade mark and the second element of the applicants’ trade mark respectively. They differ to the extent that the applicants’ trade mark contains a prominent device and letter element, the case in which the elements are presented and that the applicants’ trade mark is presented in blue (although the latter does not assist the applicants as fair and notional use of the opponent’s trade mark would include use in exactly the same colour as the applicants’ trade mark). Considered overall, the competing trade marks are visually similar to a medium degree.

36. Turning to aural similarity, the opponent’s trade mark will be pronounced as the two syllable word SPEED-O. As to the applicants’ trade mark, in its submissions, the opponent states that the applicants’ trade mark “will be pronounced “speed”...”. It is well established that when referring to a trade mark which consists of a combination of words and figurative elements, it is by the word elements that the trade mark is most likely to be referred to. Bearing that general principle in mind, the applicants’ trade mark will, in my view, be referred to as the two syllable phrase I-speed rather than the word “speed” as the opponent suggests. Notwithstanding that the trade marks start and end with differing sounds, there remains, in my view, a medium degree of aural similarity between them.

37. Finally, the opponent states that the respective trade marks are “conceptually identical, both being “speed” marks.” In their written submissions, the applicants state:

“3. The norm of opponent’s [sic] mark is “I am Speed”, it is not used as an adjective. However, a word does not necessarily to be an adjective only to reveal fact or nature. For example, one may not say “this swimsuit is speed” but one would probably say “He is speed”, revealing the fact that he is fast or speedy.”

38. In its written submissions, the opponent states:

“16...The word “speed” is a noun and not an adjective and the opponent’s marks do not have a “norm”. The mark “Speedo” gives rise to the perception of fast movement but nothing more...”

39. The use of the pronoun “I” in the applicants’ trade mark inevitably introduces an element of ambiguity as to how it will be interpreted by the average consumer. Regardless, the fact that both parties’ trade marks contain the word “SPEED”/“speed” as an identifiable element, inevitably leads to fairly high degree of conceptual similarity between them.

### **Distinctive character of the opponent’s earlier trade mark**

40. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the



way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

41. In approaching this issue, I remind myself that the applicants admit that the Speedo trade mark is well known. That said, the opponent has not provided any indication of its turnover under the SPEEDO trade mark or the amount it has spent promoting it. However, the evidence establishes that use of the SPEEDO trade mark began in 1928 and that the opponent has used its SPEEDO trade mark in relation to, inter alia, a range of swimwear and sports/leisure clothing as well as in relation to a range of swimming related accessories, goggles for example. In addition, the opponent has sponsored various high profile swimmers (such as Michael Phelps and Rebecca Adlington) as well as sponsoring swimming teams, organisations and events and its SPEEDO trade mark has appeared in a wide range of local, national and specialist magazines. Although no details of the opponent's market share has been provided, I note that the applicants have not challenged the opponent's claim that their SPEEDO trade mark is "the World's leading swimwear brand." On the basis of the evidence provided, the applicants' position is, in my view, a sensible one. It does no more than reflect that as a consequence of the opponent's longstanding use of its SPEEDO trade mark in, inter alia, the form in which it stands registered and also in the form shown at paragraph 3 above, it has become (to use the applicants' words) well known as indicating the opponent's goods. Consequently, irrespective of the SPEEDO trade mark's inherent credentials, I have no hesitation concluding that as a consequence of the use made of it since 1928, it was by the date of the application for registration in June 2014, possessed of a high degree of acquired distinctive character.

### **Likelihood of confusion**

42. 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 the opponent'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 competing goods are identical;

- the average consumer is a member of the general public who will select the goods by predominantly visual means and who will pay (in relation to the majority of the goods at issue) an average degree of attention when doing so;
- the competing trade marks are visually and aurally similar to a medium degree and conceptually similar to a fairly high degree;
- the opponent's SPEEDO trade mark is, as a consequence of the use made of it, possessed of a high degree of distinctive character.

43. In reaching a conclusion on the likelihood of confusion, I bear in mind the customer reviews mentioned in paragraphs 14, 15 and 16 above all of which are from after the material date in these proceedings and one of which is from the United States. However, bearing in mind (i) both parties have sought to rely upon these reviews in support of their respective positions, (ii) the relative proximity of the dates of these reviews to the material date (the position at the material date of 30 June 2014 was, in my view, unlikely to be significantly different), (iii) as the United States is an English speaking country and (iv) as the trade marks upon which the reviewers are commenting appear to be substantially the same as those under consideration in these proceedings, I accept that these reviews are a useful yardstick to measure the average consumer's likely reaction to the competing trade marks. For the sake of convenience, the reviews are shown below together with my comments upon them:

"...Most either let in water, hurt or both. Speedo are the worst for me. Over the past 10 years I had Zoggs...When I decided to replace my last Zoggs pair I...found these which do deliver as well as many other reviewers have testified before me...Highly recommended." (10 October 2014);

"...Very pleased with these goggles used speedo previously...so these ispeed goggles seem very good value for your £." (12 October 2014);

"These goggles are excellent....I previously had a pair of Speedo Biofuse...I decided to cut my losses and try these ISpeeds..." (18 October 2014);

"After my trusted Speedos eventually started to leak I bought new Nikes that...I then bought these Ispeed...I am a total convert I love them." (28 October 2014);

"The strap snapped on my old pair of goggles (Speedos) so I needed new ones. I have to admit after wearing these for the first time I wished I'd replaced my old ones earlier as they are better in every department..." (16 November 2014);

"...the best bit is they don't leave imprinted ring marks around their eyes like their last speedo ones did..." (19 March 2015).

44. In my view, all of these reviews (provided by the applicants) indicate that the average consumer is fully aware that the competing trade marks/goods originate from unrelated undertakings.

45. In response to the above reviews, the opponent provided, inter alia, the following review:

“I would think very carefully before purchasing these goggles. My old Speedo’s were far superior...” (13 October 2014).

Of this extract, Ms Good states:

“3...This statement suggests that the purchaser believes that these goods are also SPEEDO goods.”

46. I disagree. In my view, the above indicates that the reviewer was fully aware that they were buying the applicants’ goods as opposed to the opponent’s SPEEDO branded goods. Similarly, in my view, the review below indicates that whilst the reviewer identified similarities between the competing trade marks, they were not confused by them:

“The logo is perhaps trying to be mistaken for “Speedo” and I wouldn’t be surprised if there was an intellectual property case brewing over that. I love Speedo goggles so was on the defence at a “pretender” – but could not really find much wrong with these...All in all a nice, comfortable pair of goggles – that didn’t need to pretend to be Speedo to be good” (20 November 2014).

47. The following review also indicates, in my view, that the reviewer was fully aware that different trade marks/undertakings were involved:

“...Speedo’s are my reserve pair...The I speed pair, that I received free for review purposes...this I speed pair are doing better than that...” (24 December 2014)

48. The review dated 10 July 2015 and which appeared on amazon.com read:

“I bought these because I trust the Speedo brand and I had a hard time finding plugs and clips that matched my speedo and goggles and these fit the bill. First off, the ear plugs work perfectly and fit great. The nose clip did too. Until I took it off to show my friend and went to put it back on and it snapped in two. On the first day of wearing it. Highly disappointed...”

Of this extract Ms Good states:

“4...The purchaser clearly made their purchase of these goods believing that they are SPEEDO goods. The fact that the purchaser was also clearly disappointed with the product shows that not only is confusion between the mark

applied for and the opponent's mark SPEEDO real, but that the opponent is suffering damage in the form of lost sales and damage to its reputation as a result."

49. I agree that in relation to this final review (from the United States), the reviewer was under the mistaken impression that they were buying the opponent's SPEEDO branded goods. Of the reviews mentioned, in my view, only one reviewer (from the United States) was confused. In *J.W.Spear & Sons Ltd and Others v Zynga Inc.* [2015] EWCA Civ 290, Floyd L.J. summed up the Court of Appeal's earlier judgment in *Interflora Inc. and another v Marks and Spencer plc* [2014] EWCA Civ 1403 like this:

"37. In relation to what the court described as the crucial question, namely whether the average consumer, as a hypothetical person, necessarily has a single reaction and so precludes a consideration of the perceptions of a proportion of the relevant public the court in *Interflora* identified the following propositions:

- i) the average consumer test provides the court with a perspective from which to assess the particular question it has to decide, for example whether a statement is liable to mislead purchasers.
- ii) a national court may be able to assess this question without the benefit of a survey or expert evidence.
- iii) a national court may nevertheless decide, in accordance with its own national law, that it is necessary to have recourse to an expert's opinion or a survey for the purpose of assisting it to decide whether the statement is misleading or not.
- iv) absent any provision of EU law dealing with the issue, it is then for the national court to determine, in accordance with its own national law, the percentage of consumers misled by the statement that, in its view, is sufficiently significant in order to justify banning its use."

50. In my view, nine of the ten reviews mentioned indicate that the average consumer will not be confused between the competing trade marks at issue. Whilst I accept that the reviewer from the United States was confused, that is not, on the basis of the other reviews mentioned, in my view, sufficient to reach the conclusion that there is a likelihood of confusion. The results of these reviews (upon which both parties rely) supports my own initial conclusion that notwithstanding, inter alia, the identity in the competing goods and the high degree of acquired distinctiveness the opponent's SPEEDO trade mark enjoys, the differences in the competing trade marks are sufficient to avoid a likelihood of either direct or indirect confusion. For the avoidance of doubt, I reach this conclusion in relation to both the opponent's trade mark as registered and used i.e. SPEEDO, and also in the form in which it often appears (shown in paragraph 3 above).

## **Conclusion under section 5(2)(b)**

**51. The opposition based upon section 5(2)(b) fails and is dismissed accordingly.**

## **The opposition based upon section 5(3) of the Act**

52. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, General Motors, [1999] ETMR 950, Case 252/07, Intel, [2009] ETMR 13, Case C-408/01, Adidas-Salomon, [2004] ETMR 10 and C-487/07, L'Oreal v Bellure [2009] ETMR 55 and Case C-323/09, Marks and Spencer v Interflora. The law appears to be as follows.

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

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

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

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

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

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

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

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

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

53. I begin by noting that the applicants make no claim to any defence based upon "due cause". In its written submissions the opponent states:

"24. In the present case, the opponent has shown that it has the requisite reputation in its marks, for identical goods. These factors, together with the closeness of the marks, will cause consumers to make a link between the parties' mark. The later mark will call to mind the earlier mark and will therefore appear instantly familiar to the public concerned, thereby making it easier for the applicant to establish its mark and to sell its goods without the usual marketing expenditure...

25. It is highly unlikely that the applicant, intending to enter the identical marketplace in the UK, was unaware of the opponent's marks, given the scale of use of the opponent's marks in the UK. Indeed, the co-applicant has accepted that the opponent's marks are well known. It is a legitimate inference that, in adopting a mark for identical goods which is so close to marks which have built up a huge and established reputation over many years and which the owners strives to keep in the public eye by daily exposure in mainstream media (a costly undertaking), the applicant seeks by their use to ride on the coat-tails of the mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image."

54. The trade mark upon which the opponent relies under section 5(3) of the Act is a CTM. As a consequence, in order to get an objection based upon section 5(3) of the Act off the ground, the opponent must first establish that its SPEEDO trade mark is known

by a significant part of the relevant public (i.e. the general public) in the European Union. In *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, the CJEU held that:

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

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

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

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

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

25. In examining this condition, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it (*General Motors*, by way of analogy, paragraph 27).

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

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

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

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

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

55. In *Whirlpool Corporations and others v Kenwood Limited* [2009] ETMR 5 (HC), Geoffrey Hobbs QC, as a Deputy Judge of the High Court held that:

“76. Article 9(1)(c) provides protection for Community trade marks which have a reputation “in the Community”. Kenwood suggested that this means a reputation across the Community as a whole or at least a large area of it. I do not agree. In the case of a trade mark registered at the national level, protection of the kind provided by art.9(1)(c) can be claimed for trade marks which have a reputation in the sense that they are known by a significant part of the public concerned by the products or services covered by that trade mark in the territory of registration. Since the territory of registration is part of the Community, the trade mark has a reputation in the Community. The trade mark does not cease to have a reputation in the Community if the national registration is either subsumed within a Community trade mark registration under art.34(2) of the CTMR on the basis of a valid claim to seniority or duplicated by a Community trade mark registration. In principle, a Community trade mark should not receive less protection than a national trade mark with a reputation in the same territory. I think that the aim should generally be to prevent conflict occurring in any substantial part of the Community and that the United Kingdom can for that purpose be regarded as a substantial part of the Community, with or without the addition of France and Germany. It thus appears to me that Whirlpool's Community trade mark has a reputation in the Community.”

56. As this dispute relates to the position in the United Kingdom, the opponent's evidence is, I think it is fair to say, heavily weighted to the position in this country. However, that may not be an impediment to the opponent's position because as the decision in *Whirlpool* makes clear, the United Kingdom constitutes a substantial part of



the European Union. Consequently, if the opponent can establish the necessary reputation in the United Kingdom that will be sufficient. In this regard, I have already commented upon the opponent's evidence when I considered the distinctive character of its SPEEDO trade mark (paragraph 41 refers). On the basis of the evidence provided and my conclusions upon it and reminding myself once again of the applicants' admission in relation to the degree of recognition the opponent's SPEEDO trade mark enjoys, I have no hesitation concluding that in relation to swimwear in class 25 and accessories for swimming such as goggles (in class 9), the opponent's SPEEDO trade mark has a strong reputation which is more than sufficient to form the basis of a claim under section 5(3) of the Act. As to the nature of this reputation, as the quotation from the 2014 Sports Technology Awards indicates, the opponent is known as being an "innovative company".

57. Having established the necessary reputation, the opponent must also satisfy me that when confronted with the applicants' trade mark the average consumer will make a link with its SPEEDO trade mark; such a link is made if on seeing the applicants' trade mark the average consumer calls the opponent's trade mark to mind. In reaching a conclusion on this point, I must bear in mind factors such as the degree of similarity between the competing trade marks (my conclusions on which can be found at paragraphs 35,36 and 39), the degree of similarity in the competing goods (which I have concluded are identical), the distinctive character of the earlier trade mark (which, as a result of the use made of it, I have characterised as high) and the strength of the earlier trade mark's reputation (which I have characterised as strong). The following reviews (reproduced here for convenience) clearly indicate that exposure to the applicants' trade mark has called the opponent's trade mark to mind, and in relation to the second review, led to actual confusion:

"The logo is perhaps trying to be mistaken for "Speedo" and I wouldn't be surprised if there was an intellectual property case brewing over that. I love Speedo goggles so was on the defence at a "pretender" – but could not really find much wrong with these...All in all a nice, comfortable pair of goggles – that didn't need to pretend to be Speedo to be good" (20 November 2014).

"I bought these because I trust the Speedo brand and I had a hard time finding plugs and clips that matched my speedo and goggles and these fit the bill. First off, the ear plugs work perfectly and fit great. The nose clip did too. Until I took it off to show my friend and went to put it back on and it snapped in two. On the first day of wearing it. Highly disappointed..." (10 July 2015).

Having established its reputation and that a link will be made, I now go on to consider the basis of the opponents' claim to damage.

### **The heads of damage**

#### **Detriment to repute**

58. The opponent puts its case on the following basis:

“13. The Opponent’s goods sold under the mark SPEEDO are known to be the best in their field. The Opponent’s competition swimsuits have been worn by some of the world’s greatest swimmers including Michael Phelps, who wore SPEEDO suits during each of his historic Olympic medal winning performances, and Rebecca Adlington. The Opponent has invested a significant amount of money and time into developing cutting edge technology to improve their products, and to remain the best in their field.

14. Use of the Opposed Mark could cause detriment to the Opponent’s reputation, as the goods sold by the Applicants under the Opposed Mark will not be of the same quality as the Opponent’s goods. If customers purchase the Applicant’s goods in the belief that they are the Opponent’s goods or are in some way associated with the Opponent, and they are not of the same quality and performance as the Opponent’s goods, the Opponent’s reputation for high quality goods will be damaged.”

59. The issue of inferior goods was considered by Ms Anna Carboni as the Appointed Person in *Unite The Union v The Unite Group Plc* (BL O/219/13). Ms Carboni considered whether a link between an earlier mark with a reputation and a later mark with the mere potential to create a negative association because of the identity of the applicant or the potential quality of its goods/services was sufficient to found an opposition based on detriment to reputation. She said:

“46. Indeed, having reviewed these and other opposition cases, I have not found any in which the identity or activities of the trade mark applicant have been considered in coming to a conclusion on the existence of detriment to repute of an earlier trade mark. I can understand how these matters would form part of the relevant context in an infringement case, but I have difficulty with the notion that it should do so in an opposition. After all, many, if not most, trade mark applications are for trade marks which have not yet been used by the proprietor; some are applied for by a person or entity that intends to license them to a third party rather than use them him/itself; and others are applied for by an entity that has only just come into existence.

47. I do not exclude the possibility that, where an established trading entity applies to register a mark that it has already been using for the goods or services to be covered by the mark, in such a way that the mark and thus the trader have already acquired some associated negative reputation, perhaps for poor quality goods or services, this fact might be taken into account as relevant “context” in assessing the risk of detriment to repute of an earlier trade mark. Another scenario might be if, for example, a trade mark applicant who was a known Fascist had advertised the fact prior to the application that he was launching a new line of Nazi memorabilia under his name: I can see how that might be relevant context on which the opponent could rely if the goods and services covered by the application appeared to match the advertised activities. But I

would hesitate to decide an opposition on that basis without having had confirmation from a higher tribunal that it would be correct to take such matters into account.” (my emphasis).

60. It is clear from the passage I have highlighted, that I ought not to exclude the possibility that the opponent may succeed if it can establish that the applicants and their trade mark have “already acquired some associated negative reputation, perhaps for poor quality goods...” Although the reviews of, for example, 13 October 2014 and 10 July 2015 indicate that the reviewers were not happy with the applicants’ goods, many of the other reviews provided point to the opposite view being reached, and include, for example, phrases such as “Highly recommended”, “Very pleased”, “excellent”, “I love them” “better in every department”, “the best bit”, “could not really find much wrong with these” and “are doing better than that”. In fact, a number of the reviews provided, for example, 10 October 2014, 28 October 2014, 16 November 2014 and 19 March 2015, contain negative comments regarding the quality of the opponent’s goods. In short, on the basis of the evidence provided, I am not prepared to conclude that the applicants’ use of their trade mark will be detrimental to the repute of the opponent’s SPEEDO trade mark.

### **Unfair advantage**

61. The opponent puts its case on the following basis:

“12. Use of the Opposed Mark, which is likely to cause confusion on the part of the relevant public with the Opponent, will take unfair advantage of the significant work and expenditure that the Opponent has invested into promotion of the mark SPEEDO.”

62. There is no evidence in these proceedings which indicates that the applicants chose their trade mark with the intention of exploiting the opponent’s reputation. However, I note that in *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded that:

“80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage

even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”(my emphasis).

63. In its counterstatement, the applicants' indicate that the word "speed" in its trade mark describes "an important facet of all swimwear"; that, in my view, is not an unreasonable submission. However, the applicants do not provide any explanation as to why the word "speed" (which constitutes a separate element of their trade mark) is presented in such a similar manner as that in which the opponent's trade mark is most often used. Although neither the word in the applicants' trade mark or the form in which the opponent uses its trade mark is highly stylised, the fact that both are presented in lower case in not dissimilar fonts could not have escaped the applicants' attention when selecting their trade mark. Further the applicants admit the opponent's trade mark is well known and do not dispute it is the world's leading swimwear brand. As the evidence shows that in relation to the identical goods at issue the applicants' trade mark will bring the opponent's trade mark to mind, it will (given the opponent's established reputation as an "innovative company") and as the opponent puts it, allow the applicants' trade mark:

“...to ride on the coat-tails of [its] mark...in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image.”

64. As a consequence of that conclusion, the opposition based upon section 5(3) of the Act succeeds insofar as unfair advantage is concerned and the application will be refused in relation to all of the goods for which registration has been sought.

#### **Detriment to distinctive character**

65. The opponent puts its case on the following basis:

“15. Further, use and registration of the Opposed Mark will dilute the Opponent's rights in the mark SPEEDO. The mark SPEEDO is distinctive and widely recognised by the general public in the United Kingdom, and as a result the Opponent enjoys significant rights which allow it to prevent use and/or registration of identical and similar marks in relation to Identical and similar goods. These rights enable the Opponent to maintain its exclusivity in the mark SPEEDO: to prevent third parties from using marks which are designed to take advantage of the Opponent's significant reputation; and to prevent the mark from becoming generic in the eyes of the general public. If the Opposed Mark is registered, the Applicant will obtain registered rights in a similar mark in relation to identical goods, which falls within the scope of the Opponent's rights. This will mean that the Opponent will not be able to prevent use of the Opposed Mark by an action for registered trade mark infringement, and will lose its exclusivity in the mark SPEEDO. If the Opponent is not able to prevent use of the Opposed

Mark, which has clearly been designed to appear to be almost identical to the Opponent's SPEEDO, mark the public may believe that there is an economic link between the parties, and purchase the Applicant's goods in the belief that they are the Opponent's goods, or authorised by the Opponent. The Applicant would therefore be able to deceive the public, and the Opponent would not be able to prevent the Applicant from taking unfair advantage of its reputation. In addition, if different parties, such as the Applicant, are permitted to use marks so similar to the SPEEDO mark in relation to identical goods, the public may view the SPEEDO mark as generic in relation to these goods, as they will no longer believe that the mark designates that the goods come from a single source. Therefore, it is clear that if the Opposed Mark is registered, it will dilute and weaken the Opponent's significant rights in the mark SPEEDO, and will cause a detriment to distinctive character and repute, including where potential licensing of the SPEEDO mark is concerned."

66. As my review of the case law above indicates, in order to succeed under this head of damage the opponent must satisfy me that the use of the applicants' trade mark will lead to a change of economic behaviour of the average consumer of the opponent's goods or a serious risk that this will happen. In both *Enterprise Holdings Inc v Europcar* [2015] EWHC 17 (Ch) and *32Red Plc v WHG (International) Limited and others* [2011] EWHC 665 (Ch), the court held that a change in the average consumers' economic behaviour could be inferred from the inherent probabilities of the situation.

67. Use of the applicants' trade mark in relation to identical goods to those for which the opponent is well known and that will bring the opponent's trade mark to my mind will, in my view, be detrimental to the distinctive character of the opponent's SPEEDO trade mark and will lead to a likelihood of dilution. This is different to a likelihood of confusion; being caused to wonder whether there might be a connection does not mean that consumers will positively believe that there is such a connection. Whether or not consumers later realise that there is no connection between the users of the competing trade marks, that initial doubt means that the opponent's trade mark's continued ability to create an immediate association with goods from it is likely to be weakened. Over a period of time such uses are likely to erode the distinctive character of the opponent's trade mark. That, in my view, is likely to affect the functions of the opponent's trade mark, including the origin and advertising function, which enables the opponent to both attract and retain customers. In my view, there is a serious risk that this will result in an eventual change in the economic behaviour of the opponent's customers and potential customers, i.e. with a less distinctive brand the opponent's swimwear and related swimming accessories will stand out less and consumers will therefore be less likely to select those goods compared to those of the opponent's competitors.

68. In view of the above conclusion, the opposition based upon section 5(3) of the Act succeeds insofar as detriment to distinctive character is concerned and the application will also be refused under this head in relation to all of the goods for which registration has been sought.

## Overall conclusion

69. The opposition has failed under both section 5(2)(b) and in relation to the opponent's claim under section 5(3) of the Act that the applicants' trade mark will be detrimental to the reputation of its SPEEDO trade mark. The opponent has, however, succeeded under section 5(3) of the Act in relation to its claims that the applicants' trade mark will take unfair advantage of and be detrimental to the distinctive character of its SPEEDO trade mark. As a result of the opponent's success under the two limbs of section 5(3) of the Act mentioned, the application will, subject to any successful appeal, be refused in full.

## Costs

70. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using that TPN as a guide, I award costs to the opponent on the following basis:

Preparing a statement and considering the applicants' statement:	£300
Preparing evidence and considering and commenting upon the applicants' evidence:	£600
Written submissions:	£300
Expenses:	£200
<b>Total:</b>	<b>£1400</b>

71. I order New New Inc & New New Inc Limited (jointly) to pay to Speedo Holdings B.V the sum of **£1400**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 17<sup>th</sup> day of February 2016**

**C J BOWEN**  
**For the Registrar**