

**O-534-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 3105684  
BY STENNING LIMITED  
TO REGISTER THE TRADE MARK**

**mascot.co.uk**

**IN CLASS 35  
AND**

**IN THE MATTER OF OPPOSITION  
THERE TO UNDER No. 404864 BY  
MASCOT INTERNATIONAL A/S**

## BACKGROUND

- 1) On 24 April 2015, Stenning Ltd (hereinafter the applicant) applied to register the trade mark “mascot.co.uk” in respect of the following services in Class 35: Advertising and marketing.
- 2) The application was examined and accepted, and subsequently published for opposition purposes on 15 May 2015 in Trade Marks Journal No.2015/020.
- 3) On 12 August 2015 Mascot International A/S (hereinafter the opponent) filed a notice of opposition, subsequently amended. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade mark:

Mark	Number	Dates of filing and registration	Class	Specification relied upon
MASCOT	M961607	<b>International registration date:</b> 10.01.08 <b>Date of Designation of the EU:</b> 10.01.08 <b>Date Protection Granted in EU:</b> 06.10.10 <b>Priority date:</b> 10.07.07 <b>Priority country:</b> Denmark	9	Safety clothing, including footwear.
			25	Clothing, footwear including especially work clothing.
			35	Wholesale and retail trade also via the Internet in relation to clothing and footwear, including for safety and working purposes.

- b) The opponent contends that its mark and the mark applied for are identical and/or very similar and that the services applied for are identical or similar to its goods and services. It contends that the application offends against Sections 5(1), 5(2)(a) and 5(2)(b) of the Act.
- c) The opponent contends that the similarity between the marks of the two parties will give rise to a link between the two parties' businesses. The opponent contends that it has a considerable reputation in the UK in respect of work wear and safety footwear. Use of the mark in suit would take unfair advantage of the reputation of the earlier mark. They contend that the “goods” of the two parties are similar, despite the application merely being for services. They contend that the applicant is cybersquatting and is merely offering the domain name for sale. The mark in suit therefore offends against section 5(3) of the Act.

d) The opponent contends that it has used its earlier mark since 2000 in respect of footwear and work/safety clothing. They contend that due to the similarity of the marks of the two parties there would be misrepresentation and consequently damage. The mark in suit therefore offends against section 5(4)(a) of the Act.

4) On 21 October 2015 the applicant filed a counterstatement, basically denying that the marks are similar. It denies that its services are identical or similar to the opponent's goods or services. The applicant puts the opponent to strict proof of use.

5) Both sides filed evidence. Both sides seek an award of costs in their favour. Neither side wished to be heard. Both sides provided written submissions.

## **OPPONENT'S EVIDENCE**

6) The opponent filed a witness statement, dated 3 January 2016, by Michael John Grosbøl, the Chief Executive Officer of the opponent, a position he has held since January 2003. He states that the opponent is a leading designer and manufacturer of high quality work wear and safety footwear. It sells these products under the MASCOT name throughout Europe and most of the rest of the world. The opponent has a subsidiary in the UK called Mascot International Limited and has traded in the UK both online and via distributors since 2000. He states that the opponent has a considerable reputation for its goods. He contends that selling goods online (the opponent's services in class 35) are similar to those of the applicant as "conducting retail trade both through traditional channels and through the internet inevitably involves advertising and promotion". He states that the opponent has been responsible for a significant amount of advertising and promotional activity in the UK in respect of its earlier mark. The opponent has domain names "mascotworkwear.com" and "mascotwebshop.co.uk" registered and these are used to sell its goods in the UK. It also has the website mascotsmartstore.com which he states is "key to its advertising and marketing strategy". He states that turnover for the period 2010-2014 has never fallen below £4 million, with promotional spending averaging approximately £500,000 per annum. He states that the opponent has won numerous awards for its goods. Mr Grosbøl provides a number of exhibits which show that the MASCOT brand of workwear enjoyed 2% of the Western European market in 2005 rising to 3% by 2009 and 4.2% by 2012. The exhibits also show that the company has won awards for customer service and product quality control. The exhibits provide evidence of use of the mascotworkwear.com website in selling

workwear and safety footwear. The copies of invoices provided also show extensive use of the mark MASCOT in relation to workwear and safety footwear in the UK.

## **APPLICANT'S EVIDENCE**

7) The applicant filed a witness statement, dated 7 June 2016 by Lee David Stenning, a Director of the applicant. He states that the two parties have been engaged in a dispute regarding the domain name which is identical to the mark in suit and that he was successful in that case.

## **OPPONENT'S EVIDENCE IN REPLY**

8) The opponent filed a witness statement, dated 15 August 2016, by Michael John Grosbøl, who has provided evidence earlier in this case. He states that "Smartstore" is a sales platform which his company provides to its distributors which enables those distributors to advertise, market and sell products. He comments:

"9. The Smartstore platform allows individual distributors to select products from Mascot's product range, together with advertising and promotional materials including advertisements, postcards (such as the examples attached at exhibit MJG2-1) and newsletters relating to those products. Distributors can also use the platform to sell products originating from other suppliers (see, for example, page 13 of MJB8). The selected products from Mascot and other suppliers are then made available on the Smartstore.

10. End customers in turn choose which Mascot products should be made available to their employees from the selection made available from the distributor. Those employees of the end customer can then go onto the Smartstore and select products. Mascot allows the customers to apply their own branding to the products (such as clothing and safety clothing) which Mascot provides in the Smartstore. Examples of this are shown in the stills from Mascot's promotional video about its Smartstore published on Mascot's YouTube channel at exhibit MJG2-2.

11. Once an order has been made for Mascot's products on the Smartstore, that order is either fulfilled by the distributor or by Mascot directly. The distributor will invoice the end customer directly in respect of the sales to that end customer made on the Smartstore.

12. The Smartstore platform is available to distributors in a number of countries across Europe including Denmark, Germany, the UK and Ireland.”

9) Mr Grosbøl states that his company actively and prominently advertises the services that it provides to its distributors via the Smartstore on its website, social media and in its newsletters. He states that via its “E-Partner” programme his company provides distributors with a virtual shop that is branded with the distributor’s logo. He states that this allows distributors who do not have the resources to establish their own on-line presence to offer Mascot’s entire product range online. Distributors can also, for a small fee, sell third party goods through the E-Partner service. He contends that this, like Smartstore, is a marketing and retail service. He states that his company provides distributors with advertising and promotional material which can be co-branded and tailored by distributors.

10) That concludes my summary of the evidence filed, insofar as I consider it necessary.

## **DECISION**

11) I shall first consider the grounds of opposition under sections 5 (1), 5(2)(a) & 5(2)(b) which read:

“5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(2) A trade mark shall not be registered if because –

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

(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.”

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

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

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

13) The opponent is relying upon its trade mark listed in paragraph 3 above which is clearly an earlier trade mark; was registered more than five years prior to the advertisement of the mark in suit and is therefore subject to the proof of use provisions. The applicant put the opponent to strict proof of use. Section 6A states:

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

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

(3) The use conditions are met if -

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes -

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

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

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

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

14) Section 100 of the Act states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

15) In the circumstances applicable in this case I am willing to accept that the extensive evidence filed by the opponent shows it has used its mark on all of the goods and services for which its mark is registered in the UK and the EU. In my comparison test I shall use the goods and services outlined by the opponent in paragraph 3 above. I shall first consider the question of whether the marks are identical. In determining this I look to the case of *LTJ Diffusion S.A. v Sadas Vertbaudet S.A.* (case C-291/00) [2003] FSR 34 where at paragraphs 49-54 the Court of Justice of the European Union (CJEU) stated:

“49. On the other hand, Article 5(1)(a) of the directive does not require evidence of such a likelihood in order to afford absolute protection in the case of identity of the sign and the trade mark and of the goods or services.

50. The criterion of identity of the sign and the trade mark must be interpreted strictly. The very definition implies that the two elements compared should be the same in all respects. Indeed, the absolute protection in the case of a sign which is identical with the trade mark in relation to goods or services which are identical with those for which the trade mark is registered, which is guaranteed by Article 5(1)(a) of the directive, cannot be extended beyond the situations for which it was envisaged, in particular, to those situations which are more specifically protected by Article 5(1)(b) of the directive.

51. There is therefore identity between the sign and the trade mark where the former reproduces, without any modification or addition, all the elements constituting the latter.

52. However, the perception of identity between the sign and the trade mark must be assessed globally with respect to an average consumer who is deemed to be reasonably well informed, reasonably observant and circumspect. The sign produces an overall impression on such a consumer. That consumer only rarely has the chance to make a direct comparison between signs and trade marks and must place his trust in the imperfect picture of them that he has kept in his mind. Moreover, his level of attention is likely to vary according to the category of goods or services in question (see, to that effect, Case C-342/97 Lloyd Schuhfabrik Meyer [1999] ECR I-3819, paragraph 26).

53. Since the perception of identity between the sign and the trade mark is not the result of a direct comparison of all the characteristics of the elements compared, insignificant differences between the sign and the trade mark may go unnoticed by the average consumer.

54. In those circumstances, the answer to the question referred must be that Article 5(1)(a) of the directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.”



16) The opponent contends that the average consumer will view the suffix “.co.uk” as insignificant, denoting, as it does, a top level domain and should be viewed in the same manner as “Ltd” or “plc”. Whilst I accept that the suffix will be seen as signifying that the totality of the mark is a domain name, it cannot be said to be insignificant. It will be noticed by the average consumer and it does provide a clear message to the average consumer. The marks of the two parties are not identical. **Therefore the oppositions based upon section 5(1) and 5(2)(a) both fail.**

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

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

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

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

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

- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

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

18) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which these goods and services 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.”

19) Whilst the applicant’s services are simply “Advertising and marketing” in Class 35, the opponent’s mark is registered for a range of goods and services. However, these all revolve around, broadly speaking, workwear, safety and standard clothing and footwear, and the wholesale and retail of the same. In *New Look Limited v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03, the General Court stated that:

“49. However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

And

“50..... Generally in clothes shops customers can themselves either choose the clothes they wish to buy or be assisted by the sales staff. Whilst oral communication in respect of the product and the trade mark is not excluded, the choice of the item of clothing is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior to purchase. Accordingly the visual aspect plays a greater role in the global assessment of the likelihood of confusion.”

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

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

21) Clearly, in relation to the opponent’s goods, the average consumer’s level of attention will vary considerably depending on the cost and nature of the item at issue. However, to my mind even when selecting routine inexpensive items of clothing such as underwear, the average consumer will pay attention to considerations such as size, colour, fabric and cost. In the instant case there is also safety clothing and footwear where the average consumer will pay a high degree of attention in order to ensure that the item provides protection against whatever hazard is relevant to the consumer. Overall the average consumer is likely to pay a medium degree of attention to the selection of such items of clothing. I believe that similar considerations will come into play when looking at the retailing of such goods again as safety is not something which is taken lightly by the average consumer.

22) Turning to the applicant’s services, if one is looking to employ someone in respect of marketing or advertising I would suggest that the initial selection will be by visual methods such as an on-line search or from a publication, although I must also take into account personal recommendations and consequently aural issues must play a part albeit secondary to the visual aspect. I also believe that the average consumer will be the same general public including businesses as that for the opponent’s goods and services. In my opinion, advertising and marketing services are not purchased without some consideration, not least because of the cost of such services. The average consumer will pay at least a medium degree of attention to the selection of the provider of such services.

**23) In summary, the average consumer for both parties’ goods and services will be a member of the public (including businesses); the visual aspect will be the most important element in selection although I must also take into account the possibility of word of mouth**

**recommendations and so aural considerations must be considered. In selecting clothing, footwear, the retailer or wholesaler of the same (whether ordinary clothing and footwear or safety clothing and footwear) and advertising/marketing services the average consumer would, in my opinion, take a medium degree of care.**

### **Comparison of goods and services**

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

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

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

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

26) I also take into account the comments of Jacob J. in *Avnet Incorporated v. Isoact Ltd* [1998] FSR 16 where he said:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

27) In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

28) In *Sanco SA v OHIM*, Case T-249/11, the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

29) The goods and services of the two parties are set below for ease of reference:

Applicant's services	Opponent's goods and services
Class 35: Advertising and marketing	Class 9: Safety clothing, including footwear.
	Class 25: Clothing, footwear including especially work clothing.
	Class 35: Wholesale and retail trade also via the Internet in relation to clothing and footwear, including for safety and working purposes.

30) It is clear that there is no similarity between the opponent's goods in classes 9 & 25 and the applicant's services. Simply because something can be advertised does not make that product similar to advertising services. The opponent makes no submissions on this issue. Turning to consider the class 35 services of the two parties the opponent submitted:

“30. However, as noted already the services applied for are simply “advertising and marketing” in class 35. It is well established that when considering an application, one has to consider notional and fair use of the application, which is “use **across the range of goods/services claimed in any way that would be considered to be normal use of the trade mark in relation to the goods or services in question**” (emphasis added). Therefore such “normal use” clearly extends beyond acting as a marketing /advertising agency.

#### *Advertising*

31. HHJ Birss QC held in *Yell Ltd v Giboin & Ors* ([2011] EWPC 9 (04 April 2011) at 116) that in relation to registrations for “advertising and publicity services” and “marketing, promotional and advertising services”, that “*The core of each definition seems to me to focus on a service whereby the client is helped in order to produce advertising or promotional material*”.

32. Similarly, the Hearing Officer held in *metro.co.uk O-241-13\** that a registration for advertising, marketing and promotional services encompassed all “*services undertaken for the promotion and marketing of goods and services*”, including, in that case, “*Organisation of*

*exhibitions and trade fairs for commercial purposes*". This is clearly correct, and certainly the application in this case for "advertising and marketing" has to be construed as for all advertising and marketing of goods and services, including for example online advertising, search engine optimisation and other search engine marketing, the production of promotional material, and the development of online platforms including websites.

[\*Note: The specific finding was revisited on appeal in O-249-15, but the Appointed Officer made it clear that the reason for revisiting the finding was because the specification of the earlier trade mark had been narrowed; there was no criticism of this reasoning.]

### *Marketing*

33. It is also worth noting that the natural meaning of "marketing" is broader than that currently suggested by the Applicant. The Second Witness Statement of Michael John Grosbøl exhibits at exhibit MJG2-32 an extract from the Oxford English Dictionary's definition of marketing, relevant extracts from which are set out below:

*"1.a. The action of buying or selling, esp. in a market; an instance of this...*

*b. The action or business of bringing or sending a product or commodity to market; (now chiefly, Business) the action, business, or process of promoting and selling a product, etc., including market research, advertising and distribution...*

*c. Business. The department within a commercial organization which deals with marketing (sense 1b)".*

34. In view of the above, marketing can certainly include advertising, but it is inherently very much broader than this.

35. In summary, if the specification of the Application is given its natural meaning, it must cover all services normally undertaken for the advertising and marketing of goods and services."

31) The services applied for are "Advertising and marketing" services in Class 35. Such services would be offered to the general public, including businesses, irrespective of the industry or service



sector they are in and requires some expertise. Such services would cover every aspect of marketing and advertising from printed articles such as brochures, flyers and catalogues to radio and television advertising. It would include advice on identifying the target market and the client's Unique Selling Point (USP). To my mind, it is not enough to carry out marketing and promotion of your own products and then claim that you are providing an advertising and marketing service. The opponent has tried to claim that it offers such services to distributors on its website and it allows them to offer other brands for sale. However, this amounts to renting out of website space for retail purposes not advertising and marketing services, despite claims to the contrary. **The Class 35 services of the two parties are not similar.**

**32) Having found that there is no similarity between any of the opponent's goods and services and the services sought to be registered by the applicant the opposition under section 5(2)(b) must fail.** I take into account the views expressed in *Waterford Wedgwood plc v OHIM* – C-398/07 P by the CJEU and in *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, where Lady Justice Arden stated that:

“49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.

33) However, for the sake of completeness I shall continue with the issues under section 5(2)(b).

### **Comparison of trade marks**

34) 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 them, 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.”

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

Opponent's trade mark	Applicant's trade mark
MASCOT	mascot.co.uk

36) The fact that the opponent's mark is in capitals whereas the applicant's mark is in lower case is not a point of difference as both marks could be used in upper or lower case without affecting their registration. Clearly the distinctive and dominant element of the applicant's mark is the word "mascot" which is identical to the opponent's mark. The additional elements of the applicant's mark will be noticed by the average consumer as they denote that the whole mark is a domain name. Visually and orally the marks are highly similar. Conceptually, whatever message the word "MASCOT" sends to the consumer will be the same in both instances, except that the applicant's mark will be noted to be a domain name. **Overall, the marks are similar to a high degree.**

### **Distinctive character of the earlier trade mark**

37) 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).”

38) The earlier mark consists of a single word which has no meaning in respect of the goods and services for which it is registered. **The mark is inherently distinctive to a medium degree.** The opponent has provided evidence of use of its mark upon clothing and footwear, and the retail thereof, which shows that it has a considerable reputation particularly in the field of safety clothing and footwear. **The opponent therefore benefits from enhanced distinctiveness from use to that extent.**

### **Likelihood of confusion**

39) 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 services 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 and services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer is a member of the general public (including businesses), who will select the goods and services by predominantly visual means, although not discounting aural considerations and that they will, on average, pay a medium degree of attention to the selection of such goods and services.

- the applicant's class 9, 25 and 35 goods and services are not similar to the class 35 services of the opponent.
- the marks of the two parties are similar to a high degree.
- the mark is inherently distinctive to a medium degree and benefits from enhanced distinctiveness from use.

40) In view of all my conclusions set out earlier in this decision, and allowing for the concept of imperfect recollection, there is no likelihood of consumers being confused into believing that the services in Class 35 applied for and provided by the applicant are those of the opponent or provided by some undertaking linked to it. Nor will consumers believe that "there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those services lies with the same undertaking". The services applied for are not complementary to the goods and services for which the opponent's mark is registered. **The opposition under Section 5(2)(b) therefore fails.**

41) I next turn to the ground of opposition under section 5(3) which reads:

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

42) 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, *Addidas-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*).

43) Earlier in this decision I found that the marks of the two parties are similar to a high degree. I also found that the applicant's class 9, 25 and 35 goods and services are not similar to the class 35 services of the opponent. This is not fatal to an opposition under section 5(3), but it is relevant to the likelihood of the relevant public making a link between the marks. I also accept that the opponent has shown that it has a reputation for safety clothing footwear and the retail thereof, amongst a significant number of the relevant consumers. In deciding this issue I take into account the comments of Mr Geoffrey Hobbs Q.C. (sitting as a Deputy Judge) in *Electrocoin Automatics Limited and Coinworld Limited and Others* [2005] FSR 7:

“ 102. I think it is clear that in order to be productive of advantage or detriment of the kind prescribed, ‘the link’ established in the minds of people in the market place needs to have an effect on their economic behaviour. The presence in the market place of marks and signs which call each other to mind is not, of itself, sufficient for that purpose.”

44) I also look to the case of *Intel Corporation Inc v CPM United Kingdom Ltd* [2006] EWCH 1878 where Patten J said at para 28:

“But the first step to the exploitation of the distinctive character of the earlier mark is necessarily the making of the association or link between the two marks and all that Neuberger J is, I think, saying in this passage [Premier Brands at p. 789] is that the existence of a later mark which calls to mind the earlier established mark is not sufficient to ground an objection under s.5(3) or s.10(3) unless it has one or other of the consequences specified by those provisions. It must be right that the making of the association is not necessarily to be treated as a detriment or the taking of an unfair advantage in itself and in cases of unfair advantage it is likely to be necessary to show that the making of the link between the marks had economic consequences beneficial to the user of the later mark. But in relation to detriment the position is more complicated. The association between two marks and therefore potentially between the products or services to which they relate may be detrimental to the strength and reputation of the earlier mark if it tarnishes it by association or makes it less distinctive. This is likely to take place as a consequence of the same mental process which links the two marks in the minds of consumers and is essentially a negative reaction and effect.”

45) The opponent contended:

“100. As demonstrated by Mascot’s evidence and set out in more detail above, Mascot’s mark has a significant reputation. The similarity between MASCOT and mascot.co.uk means that anyone familiar with Mascot, particularly if such person is in the UK, will make a link between Mascot and mascot.co.uk; this will result in the following harms to the protected functions of the Prior Registration.”

46) The opponent has a reputation for safety clothing and footwear and the retailing of these goods. Consumers who know of and purchase from the opponent may bring the opponent to mind if they see the applicant’s services advertised, but it will not affect their economic activity as the term “MASCOT” is a well-known English word and likely to be used by many companies. There is no evidence of providers of safety shoes and clothing extending into the field of providing advertising and marketing services for others. I find that the public will not make any link between the earlier mark and the applicant’s mark if the latter is used in relation to advertising and marketing services. **The ground of opposition under section 5(3) fails.**

47) I next turn to the ground of opposition under section 5(4)(a) which reads:

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

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

(b) [.....]

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

48) In determining this issue I look to Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 where it provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

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

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or



as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.”

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

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

49) Earlier in this decision I found that use of the mark in suit would not result in confusion with the opponent’s mark. However, the one possible difference between the position under trade mark law and the position under passing off law is that in the Court of Appeal in *Marks and Spencer PLC v Interflora*, Lewinson L.J. cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that “a substantial number” of the relevant public are deceived, which might not mean that the average consumer is confused. However, as both tests are intended to be partly qualitative measures intended to exclude those who are unusually careful or careless, it is doubtful whether the difference between the legal tests will often result in different outcomes.

50) For the same reasons I found that the use of the applicant’s mark would not create a likelihood of confusion, or create a link to the earlier mark and the goods and services for which they have a reputation, I find that it is unlikely that a substantial number of persons will believe that use of the mark in suit in relation to the services listed at paragraph 29 above, indicates a connection in the course of trade to the opponent’s MASCOT business.

## **CONCLUSION**

51) The opposition has failed under all grounds. The application will be registered for the Class 35 services.

## **COSTS**

52) As the applicant has been successful it is entitled to a contribution towards its costs. The opponent sought to make further representations regarding costs but I do not see any need for such submissions, particularly when in its initial submissions in June 2016 it addressed the issue of costs.

Preparing a statement and considering the other side's statement	£300
Preparing evidence and considering the other side's evidence	£500
Preparing submissions	£500
TOTAL	£1,300

53) I order Mascot International A/S to pay Stenning Ltd the sum of £1,300. This sum 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 16th day of November 2016**

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