# **TRADE MARKS ACT 1994**

# IN THE MATTER OF REGISTRATION NO. 3114856 FOR THE TRADE MARK:



**IN CLASS 3** 

AND
AN APPLICATION FOR A DECLARATION OF INVALIDITY
UNDER NO. 501987

### **Background and pleadings**

1. On 24 June 2015, The Beauty Crop Limited ("the proprietor") applied to register the trade mark shown below under number 3114856 ("the contested trade mark"):

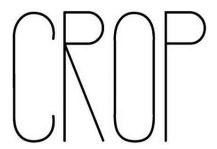


Priority is claimed from a US mark but, as the priority date is also 24 June 2015, nothing turns on this. The mark was registered on 4 December 2015 for the following goods in class 3:

Body creams [cosmetics]; Cosmetics for personal use; After-sun gels [cosmetics]; After-sun oils [cosmetics]; Cosmetics; Eyebrow cosmetics; Cosmetics and cosmetic preparations; Beauty care cosmetics; Skin masks [cosmetics]; Perfumery, essential oils, cosmetics, hair lotions; Body creams [cosmetics]; Cosmetics for personal use; Facial wipes impregnated with cosmetics; Hair cosmetics; Milks [cosmetics]; Moisturisers [cosmetics]; Mousses [cosmetics]; Nail base coat [cosmetics]; Nail hardeners [cosmetics]; Nail polish removers [cosmetics]; Nail tips [cosmetics]; Nail varnish remover [cosmetics]; Night creams [cosmetics]; Non-medicated cosmetics; Oils for the body [cosmetics]; Powder compact refills [cosmetics]; Powder compacts [cosmetics]; Sun barriers [cosmetics]; Sun block [cosmetics]; Sun blocking lipsticks [cosmetics]; Sun blocking preparations [cosmetics]; Sun protecting creams [cosmetics]; Suntan lotion [cosmetics]; Suntan oils [cosmetics]; Suntanning oil [cosmetics]; After-sun gels [cosmetics]; After-sun oils [cosmetics]; Tanning gels [cosmetics]; Tanning oils [cosmetics]; Self-tanning preparations [cosmetics]; Cosmetics; Eyebrow cosmetics; Sun-tanning preparations [cosmetics]; Cosmetics and cosmetic preparations; Impregnated cleaning pads impregnated with cosmetics; Solid powder for compacts [cosmetics]; Tanning milks

[cosmetics]; Teeth whitening strips impregnated with teeth whitening preparations [cosmetics]; Beauty care cosmetics.

2. On 23 February 2018, Lyme Hall Pty Ltd ("the applicant") applied to have the contested trade mark declared invalid under s. 47 of the Trade Marks Act 1994 ("the Act"). The grounds are based on s. 5(2)(b) of the Act and are directed against all of the goods in the contested trade mark's specification. The applicant relies upon its International (EU) trade mark registration number 1228774 for the mark shown below:



The mark is registered in class 3 for "cosmetics including creams, lotions, gels and powders for the face, the body and the hands and make-up preparations for the face", all of which are relied upon. The applicant's trade mark has an international registration date of 12 August 2014, with the EU designated on the same date. Priority is claimed from 31 March 2014, from an earlier Australian trade mark. The trade mark was granted protection in the EU on 3 November 2015.

- 3. The applicant claims that the marks are highly similar and that the goods and services are identical or very similar. It claims that these factors, combined with no more than a moderate level of attention on the part of the consumer, give rise to a likelihood of confusion, including the likelihood of association.
- 4. The proprietor filed a counterstatement in which it denies the grounds. I note in particular that it relies upon an absence of actual confusion in support of its claim that there is no likelihood of confusion.

5. Given its date of filing, the opponent's trade mark qualifies as an earlier mark in accordance with s. 6 of the Act. As the earlier mark had not been registered for five years before the date of the application for invalidation, it is not subject to the proof of use provisions contained in ss. 47(2A)-(2E) of the Act. The applicant can, as a consequence, rely upon all of the goods it has identified.

6. Only the proprietor filed evidence. Both parties filed written submissions during the evidence rounds, which I will bear in mind. The matter came to be heard before me, by telephone conference, on 28 March 2019. The proprietor was represented by lan Silcock of counsel, instructed by Mitchiners. The applicant did not attend. It has been represented throughout by Taylor Wessing LLP.

### **Case Management**

7. In the course of proceedings, I held a Case Management Conference ("CMC") to decide the proprietor's request for additional time. I allowed the proprietor additional time to file its evidence. I also indicated that the proprietor should not file evidence of the inception of the mark. The reasons for those decisions I gave in my letter of 29 August 2018.

## **Evidence**

8. The proprietor's evidence consists of the witness statement of Ning Cheah, the sole director and owner of the proprietor.

9. Ms Cheah states that she established the proprietor company on 27 October 2014, though the mark was created earlier. 1 She states that turnover grew from £19,000 in 2015 to over £1 million in 2017. Ms Cheah indicates that the company's principal business is in North America, though she also states that she has sold goods in the UK

<sup>1</sup> §§1, 5.

and elsewhere.<sup>2</sup> It is said that the business is a digital brand and is a direct-to-consumer business producing "high performing colour cosmetics which [incorporate] superfood and plant based active ingredients".<sup>3</sup> Ms Cheah states that the contested mark has been used "since inception", though it appears that the website did not go live until January 2015.<sup>4</sup> An image of the proprietor's website, said to be from 2015, is included.<sup>5</sup> The mark as registered is visible and cosmetics bearing the mark are for sale in sterling. Examples of the proprietor's products and reviews thereof are provided, some of which are from 2015.<sup>6</sup>

10. Prints of the proprietor's Instagram, Facebook, Twitter, YouTube and Pinterest pages, as well as an image from Snapchat, are in evidence.<sup>7</sup> None shows a date other than the printing date in October 2018, though the Twitter page shows a joining date of 2014 and there are videos on YouTube from "1 year ago". The form of the marks used is not entirely consistent but there is no need to reproduce them here.

11. Evidence of the applicant's website and products is also provided, which shows the earlier mark.<sup>8</sup> Ms Cheah suggests that some of these images represent earlier versions of the website or products no longer available. However, the only visible date is a printing date at exhibit 4 which appears to be in US format and shows that it was printed in October 2018. Prices, where visible, are is US dollars.

12. Reviews of the applicant's products, dated 7 September 2015, March 2016 and December 2015, are provided.<sup>9</sup> It is not clear whether these articles concern the UK; given the references to "Coles" stores, Australian products and prices in Australian dollars, it would appear not. Two further articles, dated November 2017, reference the

<sup>&</sup>lt;sup>2</sup> §§2, 48.

<sup>&</sup>lt;sup>3</sup> §§2, 3

<sup>4 §§10, 8.</sup> 

<sup>&</sup>lt;sup>5</sup> Exhibit 28. A further example of Ms Cheah's website, dated March 2018 and showing the contested mark, is at exhibit 1.

<sup>&</sup>lt;sup>6</sup> Exhibit 33 and 34.

<sup>&</sup>lt;sup>7</sup> Exhibits 7, 8, 9, 10, 11 and 12.

<sup>&</sup>lt;sup>8</sup> Exhibits 4, 30, 31 and 32.

<sup>&</sup>lt;sup>9</sup> Exhibits 13, 23 and 24.

applicant's expansion from Australia to the USA.<sup>10</sup> There is a review of one of the applicant's products from www.byrdie.co.uk.<sup>11</sup> It is dated January 2018. However, given the references to the brand having launched in the US and prices in dollars, the content suggests it does not directly concern the UK. Where the applicant's products are visible, they bear the earlier mark as registered.

13. At exhibits 2, 3, 5, 6, 18, 19 and 21 (the latter appears to be a duplicate of exhibit 18), Ms Cheah provides evidence said to show the characteristics of the market and/or consumer. However, this evidence is either not clearly dated or is dated after the relevant date. Moreover, exhibits 2, 3, 5, 18 and 19 all appear to be concerned with the US market, which is of no assistance in establishing what the UK market conditions were at the date of application.

14. A marketing document dated 2014 is provided, which showcases five large brands and their digital strategies, explaining how similar tactics may be used by other brand owners. A further report is provided regarding "beauty care shoppers". It is dated 2014 but it is not clear whether it relates to the UK.

15. There is an article dated May 2017 which does concern the UK.<sup>14</sup> It is directed at brand owners, explaining certain characteristics of the UK consumer and where there may be potential for new, niche brands. I note the following statement:

"Every beauty category is saturated. Spend five minutes in a world-class store like Selfridges and the sheer number of brands fighting for attention is overwhelming. Brand blindness- the inability to distinguish between one brand and another- sets in quickly".

<sup>&</sup>lt;sup>10</sup> Exhibits 25 and 27

<sup>&</sup>lt;sup>11</sup> Exhibit 26.

<sup>&</sup>lt;sup>12</sup> Exhibit 14.

<sup>&</sup>lt;sup>13</sup> Exhibit 15.

<sup>&</sup>lt;sup>14</sup> Exhibit 16.

16. Ms Cheah also provides a report from 2015 in which UK cosmetics sales (apparently in 2015) are said to have been over £4 billion.<sup>15</sup> It notes the importance of digital retailing and the ability of social media to influence demand, particularly in respect of trends (such as contouring products). A further report is provided showing how women in the UK make beauty purchasing decisions.<sup>16</sup> It is, however, dated 2017.

17. A Euromonitor article from 2016 discussing the preference for "green" beauty products is exhibited.<sup>17</sup> It mentions the UK market but no more. Ms Cheah relies upon this exhibit to show that "[c]onsumers in my market will be used to the word "crop" as an allusion to the use of natural plant produce in the manufacture of the end products. This is because this market is used to considering the origin of product ingredients".<sup>18</sup>

### **Decision**

18. Section 5 of the Act has application in invalidation proceedings because of the provisions set out in s. 47. The relevant legislation is set out below:

(2) The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, [...]

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

<sup>&</sup>lt;sup>15</sup> Exhibit 17.

<sup>&</sup>lt;sup>16</sup> Exhibit 20.

<sup>&</sup>lt;sup>17</sup> Exhibit 22.

<sup>&</sup>lt;sup>18</sup> §37.

- (2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless
  - (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,
  - (b) the registration procedure for the earlier trade mark was not completed before that date, or
  - (c) the use conditions are met.

(2B) [...]

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made.

Provided that this shall not affect transactions past and closed".

- 19. Section 5(2)(b) of the Act reads 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".

- 20. 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 are:
  - (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 act

21. It is necessary for me to determine who the average consumer is for the respective parties' goods. I must then decide the manner in which these goods are likely to be selected by the average consumer in the course of trade. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purposes of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods in question: *Lloyd Schuhfabrik*.

22. 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".

23. The applicant submits that the goods at issue may be purchased "by any consumers" and that, such goods being for regular use and bought on a relatively frequent basis, the average consumer will display a moderate degree of attention. <sup>19</sup> It rejects the proprietor's contention that the consumer will have a heightened degree of brand loyalty and take greater care in the selection. Mr Silcock submitted that the average consumer is particularly sophisticated and will be relatively attentive to the purchase.

24. The assessment before me is a notional one: the way in which the parties have traded so far, their target markets or their brand aspirations are irrelevant, unless the specifications reflect such characteristics. They do not. There is nothing in either specification which restricts the goods for which the marks have protection. With that in mind, the goods at issue are ordinary consumer goods which are not especially costly and are bought by the general public fairly often. Naturally, there will be some variation across the category and across consumers: some goods will be more expensive than others and some consumers will take greater care than others. However, in the main, consumers will pay some attention to factors such as suitability of the product for their particular skin type or condition. The average consumer is likely to pay a medium

<sup>&</sup>lt;sup>19</sup> Submissions, §33.

degree of attention when selecting these products. I note Mr Silcock's submissions regarding the level of attention, as well as Ms Cheah's attempts, in her evidence, to establish that there is a higher level of brand loyalty in purchasing such products. However, the evidence does not support the submissions. Very little of it concerns the UK market and such evidence as there is does not persuade me that there are any particular considerations in the purchase of the goods at issue which would result in a higher level of attention than I have found, above. What is more, it has been held on more than one occasion that the concept of brand loyalty is of no real assistance either way in the assessment of confusion under s. 5(2)(b).<sup>20</sup>

25. In terms of the purchasing process itself, visual considerations are likely to dominate, as the goods at issue will be selected by the consumer from the shelves of retail premises and from websites, or as the result of exposure to the marks in advertising, in print or on digital media. I do not rule out word-of-mouth recommendations or discussions with sales assistants and that there may, therefore, be an oral aspect to the purchase.

## **Comparison of goods**

26. When making the comparison, all relevant factors relating to the goods in the specification should be taken into account. In *Canon*, the Court of Justice of the European Union ("CJEU") stated at paragraph 23 of its judgment:

"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".

<sup>&</sup>lt;sup>20</sup> See, for example, the decisions of the Appointed Persons in *Double Happiness Trade Mark* (BL O/005/18) at [23] and *Bonjorno Café Trade Mark* (BL O/382/10), at [12]-[15].

- 27. Guidance on this issue has also come from Jacob J. (as he then was) in *British Sugar Plc v James Robertson & Sons Ltd* (the *Treat* case), [1996] R.P.C. 281, where he identified the factors for assessing similarity as:
  - (a) The respective uses of the respective goods or services;
  - (b) The respective users of the respective goods or services;
  - (c) The physical nature of the goods or acts of service;
  - (d) The respective trade channels through which the goods or services reach the market;
  - (e) 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;
  - (f) 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.
- 28. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court ("GC") stated that:
  - "29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut fur Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark".

- 29. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion 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 GC 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".
- 30. The purpose of examining whether there is a complementary relationship between goods is to assess whether the relevant public are liable to believe that responsibility for the goods lies with the same undertaking or with economically connected undertakings. As Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL O/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".

- 31. I also bear in mind Mr Alexander's comments in the same case, where he warned against applying too rigid a test when considering complementarity:
  - "20. In my judgment, the reference to "legal definition" suggests almost that the guidance in Boston is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, 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. I

therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston".

32. Mr Silcock accepted at the hearing that the goods at issue are either identical or similar. That is a sensible concession. It remains for me to assess the degree of similarity of the goods.

Body creams [cosmetics]; Cosmetics for personal use; After-sun gels [cosmetics]; After-sun oils [cosmetics]; Cosmetics; Eyebrow cosmetics; Cosmetics and cosmetic preparations; Beauty care cosmetics; Skin masks [cosmetics]; cosmetics; Body creams [cosmetics]; Hair cosmetics; Milks [cosmetics]; Moisturisers [cosmetics]; Mousses [cosmetics]; Nail base coat [cosmetics]; Nail hardeners [cosmetics]; Nail polish removers [cosmetics]; Nail tips [cosmetics]; Nail varnish remover [cosmetics]; Night creams [cosmetics]; Non-medicated cosmetics; Oils for the body [cosmetics]; Powder compact refills [cosmetics]; Powder compacts [cosmetics]; Sun barriers [cosmetics]; Sun blocking preparations [cosmetics]; Sun protecting creams [cosmetics]; Suntan lotion [cosmetics]; Suntan oils [cosmetics]; Suntanning oil [cosmetics]; After-sun gels [cosmetics]; After-sun oils [cosmetics]; Tanning gels [cosmetics]; Tanning oils [cosmetics]; Solid powder for compacts [cosmetics]; Tanning milks [cosmetics]; Teeth whitening strips impregnated with teeth whitening preparations [cosmetics].

33. All of the above goods are identified in the contested specification as cosmetics. In the earlier specification, the term "including" does not limit the coverage to those cosmetic goods which follow: the goods covered by the applicant's specification are cosmetics at large. Accordingly, all of the goods set out above fall within the broad term "cosmetics" in the earlier specification and are identical on the principle outlined in *Meric*.

<u>Facial wipes impregnated with cosmetics; Impregnated cleaning pads impregnated with</u> cosmetics

34. The nature of wipes and pads is not the same as the cosmetics themselves. However, their purpose will be shared: a wipe or pad impregnated with, for example, cleansing milk or nail polish remover has the same purpose as that of the cosmetics themselves. One may be purchased as an alternative to the other, whilst their users will overlap, as will their methods of use and channels of trade. Cosmetics are clearly essential to wipes and pads impregnated with cosmetics. Moreover, it is commonplace for a producer of cosmetics also to produce pads and wipes impregnated with those same cosmetics: the goods are complementary. These goods are similar to a high degree.

### **Perfumery**

35. "Cosmetics" are defined in the *Oxford Dictionary of English* as "a preparation applied to the body, especially the face, to improve its appearance". <sup>21</sup> This bears out my own understanding of the term, also reinforced by the range of goods identified as "cosmetics" in the contested specification. Their primary purpose is therefore to improve the appearance of the face or body, though I note that lotions and creams for the body are often scented. The purpose of perfumery is to provide a scent. Whilst perfumes and cosmetics are unlikely to have a significant overlap in nature, it is not uncommon for perfume houses to provide, for example, lotions which are scented with their own fragrances. Such goods may be intended for use in conjunction with perfumes. There is, therefore, a complementary relationship. Both users and channels of trade will coincide, though I accept that perfumery and cosmetics are usually in distinct areas of the same retailer. There may also be a degree of competition, not very pronounced, as a scented

<sup>&</sup>lt;sup>21</sup>http://www.oxfordreference.com/view/10.1093/acref/9780199571123.001.0001/m\_en\_gb0182380?rskey =a5mQL3&result=1 [accessed 12 April 2019]. It is appropriate for a decision maker to use dictionary references to confirm his or her own understanding of the meaning of words, even where those references are not in evidence: see *Forex*, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, BL O/100/09, at paragraph 16.

lotion may be chosen instead of perfume per se. These goods are similar to a fairly low degree.

## **Hair lotions**

36. There is some overlap in purpose between cosmetics and hair lotions, which may both have as their purpose to improve appearance, though there is clearly a difference in the intended object of the treatment (hair as opposed to skin). Their nature may have some similarity and the goods will share users. The goods may also be found in the same retail outlets, though they are unlikely to be in very close proximity. The goods are not in competition, nor are they complementary. There is a fairly low degree of similarity.

## Essential oils

37. The purpose of these goods differs from that of cosmetics. However, there is some overlap in nature, as cosmetics will include skin oils. They will share users, though at a fairly superficial level (i.e. the general public), and there may be some overlap in channels of trade. The method of use will differ and there is no competition, nor is there any real complementarity: although essential oils may be an ingredient in cosmetic products, they are not essential for one another's use and the public is unlikely to consider that they are from the same provider. These goods are similar to a low degree.

#### Distinctive character of the earlier trade mark

38. 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. In *Lloyd Schuhfabrik*, the CJEU stated that:

- "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 Windsurfing Chiemsee v Huber and Attenberger [1999] ECR I-2779, 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)".
- 39. The only evidence of the use made by the applicant of its mark has been filed by the proprietor. None of it suggests that the applicant's goods were sold or seriously advertised in the UK, still less that the distinctive character of the earlier mark has been enhanced through use. In the absence of any evidence from the applicant, there is, therefore, only the inherent position to consider.

40. The applicant states simply that the earlier mark is inherently distinctive.<sup>22</sup> Mr Silcock submitted that the earlier word mark is distinctive only because of its stylisation: the word "CROP", in his submission, "when used in the context of cosmetics, would generally be understood as referring to the produce of the field, or to the annual or season's yield of any natural product".<sup>23</sup>

41. I do not accept Mr Silcock's submission. In my view, the word "CROP" is no more than very mildly suggestive of natural ingredients. I do not think that it is sufficient to weaken the inherent distinctiveness of the mark. As a whole, the mark has a medium level of inherent distinctive character. I should make it clear that, in my view, the mark is dominated by the word "CROP" and I do not consider that the word itself has a materially lower level of distinctive character.<sup>24</sup>

#### **Comparison of trade marks**

42. It is clear from *Sabel* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo*, 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".

<sup>&</sup>lt;sup>22</sup> Submissions, §19.

<sup>&</sup>lt;sup>23</sup> Skeleton, §12.9. See also Starbucks v BSkyB (NOW Trade Marks) [2012] EWHC 3074.

<sup>&</sup>lt;sup>24</sup> The distinctiveness of the common element is key in the assessment of the likelihood of confusion: *Kurt Geiger v A-List Corporate Limited*, BL O/075/13.

43. 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 marks. Due weight must be given to any other features which are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are:

Earlier mark	Contested mark
CPOP	THE BEAUTY CROP

- 44. The applicant submits that the marks are visually "closely similar", aurally "partially identical and closely similar" and conceptually "almost identical".<sup>25</sup> Mr Silcock argued that the marks are clearly and strikingly dissimilar.
- 45. The earlier mark consists of the word "CROP", presented in capital letters in a stylised typeface. I indicated, above, that the mark is dominated by the word "CROP". The stylisation will have some impact on the overall impression, though to a lesser degree.
- 46. The contested mark includes the words "THE BEAUTY CROP", presented in capital letters and arranged one below the other. The typeface is unremarkable. There is an additional element to the mark, namely a bold black square border around the words. The mark is dominated by the words "THE BEAUTY CROP". Given that "THE" and "BEAUTY" have little or no distinctiveness, their relative weight is lesser than that of "CROP", though they will play a part, particularly given their positioning in the phrase.

<sup>&</sup>lt;sup>25</sup> Submissions, §§19-25.

The black square is likely to be perceived as little more than a border and thus makes only a weak contribution.

47. There is some visual similarity, due to the presence in both marks of the word "CROP". However, there are differences because of the stylisation and because of the additional words "THE BEAUTY" in the contested mark. Taking into account my assessment of the overall impression, the marks are visually similar to a fairly low degree.

48. None of the stylised elements in either mark will be verbalised. The dictionary words in both marks will be given their ordinary pronunciation. The earlier mark contains only one syllable; the contested mark contains four, the last of which is identical to the earlier mark. They are aurally similar to a fairly low degree.

49. As regards conceptual similarity, Mr Silcock submitted that "THE BEAUTY CROP" is "a surprising and unusual lexical juxtaposition". <sup>26</sup> On the one hand, he argued that "THE BEAUTY CROP" "has no obvious or clearly defined meaning in English" but, on the other hand, that it is likely to be understood "as meaning "the definitive, or a unique" "crop or collection of beauty or of beautiful things", creating a composite phrase with its own meaning. <sup>27</sup>

50. I take the view that "THE BEAUTY CROP" offers no clear single meaning. However, there is nothing unusual about the words themselves and the consumer is likely to perceive the mark as referring, somewhat opaquely, to a crop, or collection, of things relating to beauty.

51. Insofar as the conceptual similarity between the marks is concerned, both share the notion of a crop. I have considered Mr Silcock's submission that the inclusion of additional words in the contested mark alters the meaning of the individual words but I

<sup>&</sup>lt;sup>26</sup> Skeleton, §12.1.

<sup>&</sup>lt;sup>27</sup> Idem, §§12.1-12.7.

reject it. The cases and trade marks cited in support of his argument (SOMERSET v SOMERSET HOUSE, COUNTY v COUNTY HALL, CANARY v CANARY WHARF, CARDINAL v CARDINAL PLACE) are not on all fours with the comparison at issue. <sup>28</sup> Each of the examples provided alters the meaning to create a distinct entity, whether a building, a person or a place. That is not the case with the marks in issue, where the meaning of "CROP" remains intact and, in the later mark, the concept of beauty is added. Closer to the instant case is *ABSURD BIRD Trade Mark* (BL O/413/18), also cited by Mr Silcock. The concepts to be compared in that case were a bird and an "absurd bird": a finding of a medium level of conceptual similarity was upheld on appeal. However, in the instant case the conceptual differences introduced by "THE BEAUTY" have little or no distinctive significance. Taking all of the competing factors into account, the marks have a reasonably high degree of conceptual similarity.

#### Likelihood of confusion

52. The proprietor appears to consider that, as the onus is on the applicant to make good its case, it is required to provide evidence that there will be confusion. Mr Silcock cited the comments of Geoffrey Hobbs QC in *CORGI Trade Mark* [1999] RPC (15) 549 in support of that proposition. It is not entirely clear what evidence the proprietor considers the applicant ought to have filed. In any event, in *CORGI*, Mr Hobbs held that:

"In my view the "earlier trade mark" need not have a reputation in order to benefit from the protection of section 5(2). On that basis an objection to registration can be upheld under that section without evidence that the use of the later mark would raise the prospect of damage to the goodwill of an existing business or take unfair advantage of or be detrimental to the distinctive character or repute of the "earlier trade mark". <sup>29</sup>

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<sup>&</sup>lt;sup>28</sup> CARDINAL PLACE Trade Mark (BL O/339/04). Reed Executive plc v Reed Business Information Ltd [2004] RPC 40, with Jacob LJ's comments regarding "Harry" qualifying "Potter" was also cited. <sup>29</sup> p. 557.

53. There is no statutory requirement for evidence in a case under s. 5(2), save for when s. 6A is engaged and evidence of use is required. Whilst it is true that registration of a trade mark is prima facie evidence of its validity, 30 the action before Mr Hobbs in *CORGI* was an application for invalidity. It is clear from his comments that he did not consider evidence of prospective damage essential in an action under s. 5(2). Indeed, it would undermine the provisions of s. 5(2) if evidence were required in every case under that ground, not least because in many instances one or both of the marks has not been used and it would, at best, be difficult and costly to provide reliable evidence of a probable likelihood of confusion. The principles governing assessments under s. 5(2) are set out at paragraph 20, above. Further, it has been held that decision takers are entitled to determine without evidence whether there will be confusion when the goods are, as in this case, of a kind familiar to members of the public.<sup>31</sup> The question before me is whether, taking into account all of the competing factors there is, on the balance of probabilities, a likelihood of confusion. No evidence is required for me to make that determination.

54. Turning then to the question of actual confusion, the proprietor relies upon the absence of evidence showing actual confusion, and the fact that the parties' products have both been available online, in support of its contention that there is no likelihood of confusion. In *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, Kitchen L.J. stated that:

"80. [...] the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in *Specsavers* at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion. But conversely, the absence of actual confusion despite side by side use may be powerful evidence that they are not

<sup>30</sup> Section 72.

<sup>&</sup>lt;sup>31</sup> eSure Insurance Ltd v Direct Line Insurance Plc [2008] EWCA Civ 842

sufficiently similar to give rise to a likelihood of confusion. This may not always be so, however. The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur".

55. In *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283, Millett L.J. stated that:

"Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark".

56. Mr Silcock urged me to focus on the comments of Kitchen L.J. in *Maier* as highlighting that the absence of actual confusion may be very significant. I do not doubt it. However, the high point of the applicant's case regarding the absence of actual confusion is that both parties have been selling their goods through the shared channel of the internet. That is a very long way from being real side-by-side use. There is nothing in the evidence to suggest that the average UK consumer will have been exposed to both marks, let alone that the differences are such that actual confusion has been avoided. Mr Silcock claimed that the lack of clarity regarding trade in the UK is unimportant because there is ample evidence of trade in other jurisdictions. I disagree. Without evidence that the relevant consumer (i.e. the average UK consumer) has encountered both marks, the proprietor is in difficulty in establishing that the absence of confusion is because the UK consumer will not be confused. I do not consider that the absence of evidence of actual confusion offers assistance either way in the decision before me.

57. As to whether there is a likelihood of confusion, the factors considered above have a degree of interdependency and must be weighed against one another in a global

assessment (*Canon* at [17]; *Sabel* at [22]). The various factors must be considered from the perspective of the average consumer, and a determination made as to whether the average consumer is likely to be confused. In making my assessment, I must keep in mind 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 (*Lloyd Schuhfabrik* at [26]).

58. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other. Indirect confusion is where the consumer notices the differences between the marks but concludes that the later mark is another brand of the owner of the earlier mark or a related undertaking. In *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark".

59. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

60. The marks have a fairly low degree of visual and aural similarity but they are conceptually similar to a fairly high degree. The purchasing process will be dominated by visual considerations and the consumer will pay a medium level of attention to the selection of the goods at issue. The goods themselves vary from identical to having only a low degree of similarity. In terms of direct confusion, the visual differences between the marks and the slightly unusual phrasing of the later mark are sufficient to avoid the consumer thinking that one mark is the other mark. However, whilst I acknowledge that there is a relatively limited degree of visual similarity, this is a case in which, when indirect confusion is considered, the conceptual similarities outweigh the differences. Whilst the later mark forms a phrase of sorts, the limited (at best) distinctiveness of the words "THE BEAUTY" in the later mark are likely to lead the consumer to believe that the contested mark is another, beauty-focused brand of the owner of the earlier mark, even for those goods which have only a low degree of similarity. There is a likelihood of indirect confusion, for all of the contested goods.

#### Conclusion

61. The application for invalidation has succeeded in full and the subject registration is hereby declared invalid. Under the provisions of Section 47(6) of the Act, it is deemed never to have been made.

#### Costs

62. The applicant has been successful and is entitled to an award of costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by Tribunal Practice Notice ("TPN") 2/2016. The applicant did not file evidence, which is reflected in the award below. I award costs to the applicant on the following basis:

Official fee: £200

Filing the application for invalidation and considering

the counterstatement: £200

Considering the other party's evidence and filing submissions: £800

Total: £1,200

63. I order The Beauty Crop Limited to pay Lyme Hall Pty Ltd the sum of £1,200. 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 10th day of May 2019

Heather Harrison For the Registrar

**The Comptroller-General**