### **O-269-20**

## TRADE MARKS ACT 1994 IN THE MATTER OF APPLICATION NO 3349122 IN THE NAME OF NIP AND FAB LIMITED TO REGISTER THE MARK

# NIP+FAB UNICORN ESSENCE

IN CLASS 03 AND OPPOSITION NO 415268 THERETO BY FARSALI CORP.

#### BACKGROUND

1) On 29 October 2018, Nip and Fab Limited ('the applicant') applied to register NIP+FAB UNICORN ESSENCE as a trade mark in respect of the following goods:

**Class 03:** Make-up primers, liquid preparations or essences for the skin; serums or essences for use on the face.

2) The application was published in the Trade Marks Journal on 09 November 2018 and notice of opposition was later filed by Farsali Corp. ('the opponent'). The opponent claims that the trade mark application offends under section 5(4)(a) of the Trade Marks Act 1994 ('the Act').

3) The opponent relies upon use of the sign UNICORN ESSENCE throughout the UK since at least June 2017 in relation to 'Cosmetic products, namely, nonmedicated skincare serum, skin moisturizer and makeup primer'. It is claimed that use of the applicant's mark, in respect of the goods applied for, will lead to misrepresentation and damage to the opponent's goodwill associated with its earlier sign.

4) The applicant filed a counterstatement in which it denies the ground of opposition and puts the opponent to strict proof thereof.

5) Both parties filed evidence. A hearing took place before me on 15 January 2020. Mr Richard May, of Osborne Clarke LLP, represented the opponent; Ms Charlotte Blythe of Counsel, instructed by Edwin Coe LLP, represented the applicant.

#### **OPPONENT'S EVIDENCE IN CHIEF**

6) This comes from Salman Ali Haque, CEO of Farsali Corp. He explains that his company is in the business of designing, making and selling cosmetics and began doing so in August 2014. After the initial successful release of the first product line called ROSE GOLD ELIXIR, the opponent's business grew rapidly.

7) In November 2016, the opponent released a limited-edition product called UNICORN TEARS. Owing to its great success, the same product was re-released under a new name, UNICORN ESSENCE, in February 2017. The product was available through high-end online retailers such as Sephora.com and began selling in the UK through the opponent's exclusive UK distributor, Cult Beauty, in around July 2017. A screenshot from www.cultbeauty.co.uk is provided showing an article entitled "The Best Beauty Highlights of 2017". Mr Haque highlights a paragraph therein which states, inter alia, "Farsáli's specialist blends hit our virtual aisles in July...the world went berserk for the Unicorn Essence – a pink serum-primer..."<sup>1</sup> Mr Haque provides a photograph of the product. It shows a cosmetic dropper-bottle bearing the name FARSÁLI written vertically, and in large font, up the left-hand-side of the bottle. In smaller font, written horizontally, are the words UNICORN ESSENCE above some illegible smaller words (which I assume is the description of the bottle's contents).

8) Mr Haque states that the concept of the brand was to create a high-end cosmetic product using the finest ingredients to target the premium cosmetics market. The premium nature of the product is reflected in its price. It is retailed at £20.00 for 10ml and £50.00 for 30ml. A screenshot of the product being advertised on www.cultbeauty.com is provided, also showing around sixty customer reviews<sup>2</sup> (this is undated, aside from the print date of 15 May 2019).

9) Mr Haque provides a further screenshot from Cult Beauty showing the opponent's various products which it sells in the UK (this is undated, aside from the print date of 08 May 2019). The screenshot shows a number of cosmetic products described as facial primers and serums, all bearing the prominent name FARSÁLI. Each product also bears another name, in smaller font, such as Rose Gold Elixir, Unicorn Essence and Volcanic Elixir<sup>3</sup>. Mr Haque states that customers recognise the opponent's products by their individual brand names, not simply as FARSÁLI which, he says, "is just the house brand".

<sup>1</sup> Exhibit SA-1

<sup>&</sup>lt;sup>2</sup> Exhibit SA-2

<sup>&</sup>lt;sup>3</sup> Exhibit SA-3

10) Mr Haque states that the opponent primarily sells products in the UK through its exclusive online distributor, Cult Beauty. Customers can also place orders for delivery in the UK through the website, Farsali.com. Mr Haque provides sales figures for UNICORN ESSENCE products, and their percentage within the opponent's total sales in the UK. Sales for 2017 and 2018 were, as follows:

2017: Nearly £41,000 (approx. 38% of UK revenue) 2018: Nearly £118,000 (approx. 32% of UK revenue)<sup>4</sup>

11) Mr Haque states that Farsali.com has received a significant amount of UK web traffic as a consequence of people searching for the opponent's products. This includes around 85,000 unique web users visiting the website in 2017 and around 110,000 unique web users in 2018. Mr Haque provides screenshots from Google Analytics for Farsali.com in 2017 and 2018 showing traffic and transactions made to the UK through the site.<sup>5</sup>

12) Mr Haque explains that the opponent does not engage in traditional marketing activities such as paid-for advertising and therefore it is not possible to provide figures relating to such activities. However, the opponent has invested a substantial amount of time, effort and creativity to create and build the brand from the ground up. Since the release of UNICORN ESSENCE, the opponent's focus has been to engage with consumers via social media marketing campaigns demonstrating products online. For example, the opponent uses high quality photos/imagery on social media website, Instagram, where it has over 2 million followers. The opponent also promotes products on YouTube where it has over 17,000 followers. Screenshots are provided showing seven videos/posts promoting FARSÁLI UNICORN ESSENCE face serum on those sites<sup>6</sup>. All the bottles shown in the posts are the same as the example shown earlier in the body of Mr Haque's witness statement (described in paragraph 7, above).

<sup>&</sup>lt;sup>4</sup> Note, however, the revised figures given in Mr Haque's evidence in reply.

<sup>&</sup>lt;sup>5</sup> Exhibit SA-4

<sup>&</sup>lt;sup>6</sup> Exhibit SA-5

13) Mr Haque states that UNICORN ESSENCE also benefits from third-party highprofile vloggers and social media influencers reviewing and promoting the brand through YouTube. Four examples are provided, all of which were published on the site in 2017. Each shows a still of the YouTube video, with the vlogger/social media influencer holding up a bottle of FARSÁLI UNICORN ESSENCE to the camera. The first video has had 340,705 views, the second 171, 738, the third 44, 731 and the fourth 24,478.<sup>7</sup> It is not clear how many of those views took place before the filing date of the contested mark.

14) Mr Haque states that when UK customers search for the term UNICORN ESSENCE, they are searching for the opponent's product and that that term is widely used on the web to refer to the opponent's product. In support of this, he provides screenshots of the first five pages of a Google search, conducted by the opponent's legal representatives. He states that the search was limited to the UK and conducted for the term UNICORN ESSENCE. Mr Haque states that, with the exception of the applicant's product appearing four times in the results, every other result refers to the opponent/UNICORN ESSENCE.<sup>8</sup>

15) Mr Haque states that UNICORN ESSENCE has been further enhanced by positive publicity in the media through publications such as Marie Claire and Revelist. Examples of such promotional articles, dating from 2017 and 2018, are provided. Some also contain customer reviews. The term UNICORN ESSENCE is used in close conjunction with the brand name FARSÁLI in every article. Images of bottles of FARSÁLI UNICORN ESSENCE face serum are visible in some articles (the same as that described at paragraph 7, above). Some of the articles refer to the promotion of other product lines including ROSE GOLD ELIXIR and JELLY BEAM (again all used in close conjunction with the name FARSÁLI).<sup>9</sup>

16) Mr Haque provides an image of how, he states, the applicant is currently using the contested mark. The image shows a cosmetic dropper-bottle bearing the name NIP+FAB, positioned centrally, and reading vertically from the bottom of the bottle.

<sup>&</sup>lt;sup>7</sup> Exhibit SA-6

<sup>&</sup>lt;sup>8</sup> Exhibit SA-7

<sup>&</sup>lt;sup>9</sup> Exhibit SA-8

The words UNICORN ESSENCE are presented in smaller font, reading horizontally, across the upper part of the centre of the bottle. The evidence before me is in black and white but Mr Haque states that the bottle is coloured purple.

#### APPLICANT'S EVIDENCE

17) This takes the form of two witness statements; the first is from Efstratios Hatzistefanis and the second is from Nicholas Peter Phillips.

18) Mr Hatzistefanis is CFO of Nip and Fab Limited. He states that the applicant was not aware of the opponent, or any of its products, until US lawyers instructed by the opponent wrote to the applicant on 29 October 2018, shortly after the launch of the NIP+FAB UNICORN ESSENCE product.

19) Mr Hatzistefanis provides information about the history of the applicant and states that it targets a very different market to that of the opponent. He also provides evidence showing how NIP+FAB is used on the applicant's goods and sales figures for NIP+FAB products which I need not set out here.

20) Mr Hatzistefanis states that the applicant received its first order for its NIP+FAB UNICORN ESSENCE serum-primer in September 2018. No further details are provided in relation to that order.

21) Mr Hatzistefanis states that, in 2017, the applicant noticed that there was a 'Unicorn' trend for various cosmetic products such as hair, nails and cosmetics and so it wanted to participate in that trend. He states that the applicant came up with the term 'UNICORN ESSENCE' in-house.

22) Mr Hatzistefanis provides evidence showing third party use of 'UNICORN' and 'UNICORN ESSENCE'. He states that those terms are popular in the beauty industry and others. He provides an article, from Metro.co.uk, dated 20 July 2017 entitled "The 26 magical unicorn products you need right now". The article also states: "Over the last year alone we've seen unicorn e.v.e.r.y.t.h.i.n.g. from unicorn body glitter,

bagels, pool floats, trainers, makeup tutorials and pizza. Hell, even starbucks jumped on board with their Unicorn Frappuccino."<sup>10</sup>

23) Mr Hatzistefanis provides evidence showing a number of third parties using the term 'UNICORN'/'UNICORN ESSENCE' in relation to various cosmetics and other kinds of goods during 2017 and 2018 in the UK, and articles referring to the same.<sup>11</sup>

24) Mr Phillips is a solicitor and partner at Edwin Coe LLP, the applicant's legal representatives. The purpose of his evidence is to provide further, and clearer, copies of certain pages of the exhibits to Mr Hatzistefanis' witness statement.

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

25) This takes the form of a second witness statement from Mr Haque. Mr Haque refers back to his first witness statement where he stated that "The Opponent does not engage in any traditional marketing activities <u>such as paid-for advertising</u> and therefore it is not possible to provide figures for such activities' (paragraph 10 of the first witness statement). Mr Haque states that he stands by that statement but wishes to clarify that the opponent's distributors do engage in Google Adwords as well as other marketing activities. For example, the first two results in Exhibit SA-7 are Google Ads from distributors, although the rest of the organic search results referring to the Opponent and the Brand are from third parties.

26) Mr Haque states that he has been able to make some further enquiries regarding the opponent's marketing activities and related expenses. As a result, he has estimated the marketing costs attributable to the UK for activities such as digital marketing for its websites, PR, creative (e.g. photo shoots) and brand ambassadors (i.e. influencers/models). An annual breakdown of these expenses (rounded to the nearest £50) are as follows:

<sup>10</sup> Exhibit SH-4

<sup>&</sup>lt;sup>11</sup> Exhibits SH-5, SH-6, SH-7, SH-8, SH-9, SH-10

Year	Marketing costs (£)
2017	32,950
2018	52,400
2019 (to date of witness statement)	45,400
Total	130,730

27) Mr Haque retiterates that, as stated in his first statement, the opponent's distributors also do their own marketing of the opponent's products and the figures above do not therefore include their marketing costs.

28) Mr Haque also spends some time going through the parts of Mr Hatzistenfanis' evidence referring to third-party use of the term 'UNICORN/UNICORN ESSENCE'. Mr Haque states that many of the exhibits do not relate to goods which are the same, or similar, to those of the opponent or to the contested goods. Of those that do relate to such goods, he states that the third-party use relates to 'knock-offs' or 'imitations' of the opponent's product or that the use shown is of marks which are not similar to the opponent's sign 'UNICORN ESSENCE'. Mr Haque submits that none of the applicant's evidence shows that the term 'UNICORN ESSENCE' is non-distinctive for the relevant goods at issue.

29) Mr Haque states that it is not uncommon for make-up brands to collaborate with one another. He explains that in 2017, there was some confusion about the opponent collaborating with a third-party brand called 'NYX'. The confusion came about because NYX supplied the opponent's product and their own product to social media influencers who tended to use their Total Control Drop Foundation with the opponent's Unicorn Tears product. Mr Haque provides a screenshot from allure.com which he states shows that consumers thought there was a collaboration between the two brands. <sup>12</sup>

30) Mr Haque states that members of the public are making a connection between the applicant's product and the opponent's UNICORN ESSENCE brand. In support of this he refers to comments made by members of the public on an Instagram post

<sup>&</sup>lt;sup>12</sup> Exhibit SA-13

(posted by the applicant) which he states shows that those members of the public believe that UNICORN ESSENCE is the opponent's brand and that the applicant is 'ripping us off'.<sup>13</sup> The relevant post appears to be an advertisement showing photographs of the applicant's NIP+FAB UNICORN ESSENCE and NIP+FAB ROSE GOLD ESSENCE products. Examples of some of the comments made by the members of the public on that post are listed below:

- "Take the damn photo downnnn and acknowledge the fact that this is not your original product, packaging and idea"
- "Are you kidding me?! Total rip off of @farsalicare!..."
- "Wow. So shady Nip & Fab! ...You even copied @farsalicare product names?...Nip + Fab, you owe Farsali an apology..."

31) Mr Haque states that the applicant has also 'ripped off' another of the opponent's leading products, Rose Gold Elixir, which the applicant calls Rose Gold Essence.Photographs of the said products are provided.

32) Mr Haque states that there is an error in the UK sales figures given at paragraph8 of his first witness statement. He provides revised wholesale figures as follows:

- In 2018 sales for the year are estimated to be £152,200.
- Sales up to Nov 2018 are estimated to be £132,900 (estaimted retails value is £286,000).
- Sales up to Sept 2018 are estimated to be £116,800.

#### DECISION

33) Section 5(4)(a) states:

"A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

<sup>&</sup>lt;sup>13</sup> Exhibit SA-15

(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."

34) In *Discount Outlet v Feel Good UK,* [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

"55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the Jif Lemon case (Reckitt & Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether *"a substantial number"* of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

#### The relevant date

35) In Advanced Perimeter Systems Limited v Multisys Computers Limited, BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

"43. In SWORDERS TM O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.'"

36) Although the applicant refers to its first order being taken in Sept 2018, there is no further evidence showing any details of the order or where it was sold. I will therefore take the relevant date to be the filing date of the contested mark i.e. 29 October 2018.

#### Goodwill

37) The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

38) In terms of the evidence that is required to establish the existence of goodwill, in South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership) [2002] RPC 19 (HC), Pumfrey J. stated:

"27. There is one major problem in assessing a passing of claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent that the enquiry under s.11 of the 1938 Act (see Smith Hayden & Co. Ltd's Application (OVAX) (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark* [1969] *R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur."

39) However, in *Minimax GmbH* & *Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

"[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application."

40) The applicant has submitted evidence purporting to show that the term UNICORN ESSENCE was generic/non-distinctive at the relevant date. I accept that there were a number of third parties using the term unicorn essence and/or the term unicorn in relation to cosmetic products in 2017. However, I do not consider the

evidence to be sufficient to show that unicorn essence was generic or non-distinctive in relation to the goods at issue at the relevant date. That is not to say that I agree with the opponent's contention that it is highly distinctive. In my view, it has, at most, a normal level of inherent distinctiveness.

41) Notwithstanding the above conclusion, the difficulty for the opponent is that there is no use before me of the sign UNICORN ESSENCE solus. I accept that use with another sign does not preclude a finding that UNICORN ESSENCE alone was distinctive of the opponent's business. However, and as Mr May acknowledged, the use of UNICORN ESSENCE as a secondary sign makes it more difficult to show that that sign <u>alone</u> was distinctive of the opponent's goodwill. All of the evidence shows that UNICORN ESSENCE is used in conjunction with the highly distinctive and dominant element FARSÁLI. All the bottles showing use of the two signs all bear FARSÁLI in a more dominant position and larger font than UNICORN ESSENCE. Contrary to the opponent's submission, the evidence of customer reviews/feedback also do not support the contention that UNICORN ESSENCE alone is distinctive of the opponent. All refer to the opponent's products as FARSÁLI Unicorn Essence or indeed, just as FARSÁLI on its own.

42) I find that the sign which was distinctive of the opponent's goodwill at the relevant date was FARSÁLI or FARSÁLI UNICORN ESSENCE and not UNICORN ESSENCE alone. This finding means that the opponent's claim of passing off, as pleaded, must fail. However, in case my primary finding is wrong, I will go on to consider whether there would be a misrepresentation based upon the opponent having the requisite goodwill associated with the sign UNICORN ESSENCE alone. Any such goodwill would be, as appeared to be conceded by Mr May<sup>14</sup>, of no more than a moderate level, given the size of the sales and marketing figures presented in the evidence. The goodwill is in a business selling make-up primers/face serums.

<sup>&</sup>lt;sup>14</sup> See Hearing Transcript, page 6, paragraphs 2-4, where Mr May submitted that the facts of this case are 'very similar' to those in *Lumos Skincare Ltd v Sweet Squared Ltd, Famous Names LLC, Sweet Squared (UK) LLP* [2013] EWCA Civ 590.

#### Misrepresentation and damage

43) In Neutrogena Corporation and Another v Golden Limited and Another [1996] RPC 473, Morritt L.J. stated that:

"There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc. [1990] R.P.C. 341 at page 407* the question on the issue of deception or confusion is

"is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]"

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101."

44) Halsbury's Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 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."

45) The contested mark contains the whole of the earlier sign. However, it also contains, at its beginning, the element NIP+FAB which is absent from the earlier sign. I do not agree with the opponent's contention that the NIP+FAB element is descriptive or that it has descriptive 'connotations' because it is, in its submission, a play on the phrase 'nip and tuck'. I also do not agree that the UNICORN ESSENCE element will therefore carry much more weight in the overall impression of the

contested mark. I find that NIP+FAB is a distinctive and dominant element of the contested mark and is at least as dominant, if not more so, than the UNICORN ESSENCE element, given that it is the former which enjoys the more prominent position at the beginning of the mark. To my mind, this gives rise to a medium degree of both visual and aural similarity overall. In my view, NIP+FAB does not evoke any immediately graspable concept. However, both marks evoke the concept of the essence of a unicorn. With all this in mind, I find there to be a medium degree of similarity overall between the contested mark and the earlier sign.

46) The respective fields of activity are clearly the same and the contested mark is similar to the earlier sign to a medium degree overall. However, the level of goodwill associated with the sign UNICORN ESSENCE alone is, at best, no more than moderate. Furthermore, the opponent's sign UNICORN ESSENCE is always used closely in association with the highly distinctive, and more dominant, sign FARSÁLI. That is a context which is clearly missing from notional and fair use of the contested mark where, in addition to the UNICORN ESSENCE element, the NIP+FAB element (which has no counterpart in the earlier sign) plays an important distinctive and, at least, equally dominant role. Mr Marsden's submission to the effect that the contested mark may be used in such a manner that UNICORN ESSENCE has more prominence over the NIP+FAB element does not, to my mind, assist the opponent.

47) The opponent draws attention to the look and colour of the applicant's bottle being similar to that used by the opponent. It contends that this shows an intention to deceive. The evidence before me is in black and white and therefore I cannot tell how closely the colour of the applicant's bottle resembles that used by the opponent (if at all). That said, from what I can see in the images before me, the applicant's bottle appears to be a much lighter shade than the opponent's bottle. In any event, it is difficult to see how there could be an intention to deceive given the dominance of the NIP+FAB element in the contested mark and that the earlier sign is always used in close conjunction with the very different dominant and distinctive sign, FARSÁLI. As to the posts said to show that consumers <u>are</u> being deceived I do not consider they do so. Those consumers appear to be aware that the applicant's product is not the opponent's product, despite noting similarities between the two. None of those posts show that any of those consumers have purchased the applicant's goods

believing them to be those of the opponent or that they believe that the applicant's goods are associated with, or endorsed by, the opponent.

48) As to the opponent's evidence purporting to show that it is not uncommon for make-up brands to collaborate and that there was some confusion about the opponent doing a collaboration with the third-party brand NYX in 2017, this evidence also does not assist the opponent. As Ms Blythe pointed out, it appears that any such confusion in that instance was because FARSÁLI branded goods and NYX branded goods were provided together in the same pack which was gifted, free of charge, to social media influencers as part of a promotional activity. That evidence does not assist the opponent in establishing that misrepresentation is likely here.

49) I remind myself that it is not enough for the contested mark to merely bring the earlier sign to mind or for consumers to merely wonder if there is a connection. There must be an assumption that there <u>is</u> a connection. Taking all the above factors together, I do not find that there would be such an assumption in this case. Accordingly, misrepresentation is not made out and there can be no damage. **The claim under section 5(4)(a) fails.** 

#### COSTS

50) As the applicant has been successful, it is entitled to a contribution towards its costs. Using the guidance in Annex A of Tribunal Practice Notice 2/2016, I award the applicant costs on the following basis:

Total:	£2000
Attending the hearing and preparing a skeleton argument	£800
Filing evidence	£800
the opponent's statement	£400
Preparing a statement and considering	

51) I order Farsali Corp. to pay Nip and Fab Limited the sum of **£2000**. This sum is to be paid within two months of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 1<sup>st</sup> day of May 2020

Beverley Hedley For the Registrar, the Comptroller-General