O-456-21

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 3442721

BY LAWRENCE ROULLAND

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 419533

BY RIN INTELLECTUAL PROPERTY LTD

Background and pleadings

1. On 8 November 2019 ("the relevant date"), Lawrence Roulland ("the applicant") applied to register the trade mark shown below, under number 3442721:



2. Registration is sought in respect of the following goods and services:

<u>Class 25:</u> Clothing, footwear, headwear.

<u>Class 35:</u> Advertising; business management; business administration.

3. The application is opposed by RIN Intellectual Property Ltd ("the opponent"). The opposition is based upon ss. 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act").

4. The opposition under s. 5(2)(b) is directed against all of the goods in class 25 of the contested specification.¹ Under s. 5(2)(b), the opponent relies upon the trade marks shown below.² The goods relied upon for this ground are shown in plain text below; those in bold are <u>not</u> relied under s. 5(2)(b):

¹ The opposition under s. 5(2)(b) against the services in class 35 was withdrawn on 23 March 2021: opponent's skeleton, §27.

² Although the UK has left the EU, the opponent's EU trade marks, rather than its UK comparable marks, remain the relevant rights in these proceedings: under the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019, I am obliged to decide the opposition on the basis of the law as it stood at the date of application.

Trade mark details	Representation of mark	Specification relied upon
UK trade mark number 3068415	Creps	<u>Class 25:</u> Clothing, footwear, headgear.
Filing date: 13 August 2014		
Registration date: 14		
November 2014		
European Union ("EU")	Crep Protect	Class 25: Clothing, footwear,
trade mark number		headgear
13175005		<u>Class 26:</u> Shoe laces, boot
Filing date: 14 August 2014		laces, laces for footwear;
Registration date: 3		shoe buckles, stud buttons
December 2014		[fasteners] for shoes.
UK trade mark number	*	Class 35: Advertising
2646128	creD)	services provided via the
Filing date 17 December	protect	Internet; production of television and radio
2012		television and radio advertisements.
Registration date: 10 May		
2013		
EU trade mark number		Class 3: Shoe sprays; Shoe
12434403 ³	creft	wax; Shoe polishes; Shoe
Filing date: 16 December	protect	cleaners [preparations];
2013		Waterproofing sprays for footwear.
		100(wear.

³ Permission to rely upon this mark under s. 5(2)(b) was granted at the hearing: see paragraph 10, below.

Registration date	: 8	May	Class 18: Leather and
2014			imitations of leather;
			Trunks and travelling
			bags; Beach bags; Bum
			bags; Clutch bags; Belt
			bags and hip bags; Sport
			bags; Duffle bags;
			Leather bags; Sling bags;
			Luggage; Rucksacks;
			Backpacks; Laptop bags;
			Leather.
			<u>Class 25:</u> Clothing,
			footwear, headgear.
			<u>Class 26:</u> Shoe laces;
			Boot laces; Laces for
			footwear; Stud buttons
			[fasteners] for shoes.
			<u>Class 40:</u> Fabric
			waterproofing; textile and
			fabric treating.

5. The opponent claims that the contested mark is highly similar to the earlier marks and that the goods and services are identical or highly similar. It is said that this would lead to a likelihood of confusion, including the likelihood of association.

6. Under s. 5(3), the opponent relies upon EU12434403, shown in the table, above. Under this ground, all of the goods and services for which the mark is registered are relied upon and the opposition is directed against all of the goods and services in the contested specification. The opponent claims that the reputation of its mark and the similarity between the respective marks is such that the relevant public will believe that they are

used by the same undertakings or that there is an economic connection between the users of the trade marks. It claims that the applicant will gain an unfair advantage and that the distinctive character of the earlier trade mark will be diluted through use of the contested mark.⁴

7. The applicant filed a counterstatement denying the grounds of opposition.

8. Only the opponent filed evidence. A hearing was requested and was held before me, by videoconference, on 25 March 2021. The opponent was represented at the hearing by Kyra Nezami of Counsel, instructed by Lawdit Solicitors Limited. The applicant was not represented at the hearing but written submissions were filed in lieu, which I will bear in mind. He is represented by Mathys & Squire LLP.

Relevance of EU law

9. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

Preliminary issues

Request to amend the pleadings

10. On 19 March 2021, the opponent wrote to the tribunal by email requesting permission to amend its pleadings. It requested that it be permitted to rely upon EU12434403 in respect of the opposition under s. 5(2)(b), to the extent set out in amended pages to the notice of opposition filed with the request. The matter was dealt with as a preliminary issue at the hearing and I allowed the amendment for the reasons given in my letter dated

⁴ It was originally pleaded that there would also be damage to the earlier mark's reputation but Ms Nezami confirmed at the hearing that the tarnishing head of damage had been dropped.

25 March 2021. I allowed the applicant fourteen days to file any additional submissions in respect of the s. 5(2)(b) case now advanced under EU12434403.

11. On 8 April 2021, the applicant sought leave to file additional evidence and additional time to file its response to the amended case. I refused the request to file additional evidence for the reasons given in my letter of 9 April 2021 but allowed a short extension to the period for the filing of submissions, as well as time for the opponent to file any additional comments on costs. Both parties availed themselves of the opportunity to supplement their submissions and I will take those additional comments into account.

The opponent's pleaded case

12. It is necessary for me to address a dispute as to the opponent's pleaded position on the meaning of "crep". The applicant submits that "crep" is "a well-recognized slang term used widely to refer to trainers or sneakers" and that the opponent has admitted such a meaning. Ms Nezami argued that it is not correct to say that the opponent has admitted that "crep" will be seen as a slang term. She submitted that the opponent's comments in its notice of opposition revealed an acceptance that the mark <u>could</u> be a slang term, not that it was a well-recognised slang term or that the average consumer would know it. In its notice of opposition, the opponent said:

"In respect of conceptual similarity, both the Applicant's Mark and the Opponent's Mark include the term 'crep'. This is not a term defined in the Oxford English Dictionary however it can be used in [sic] as a slang term to describe trainers. As this term is present in both the Applicant's Mark and the Opponent's Marks, it again is an indication that the Applicant and Opponent are in some way connected or the Applicant's Mark is endorsed by the Opponent. It is the Opponent's submission that the inclusion of the word 'select' does not diminish the high level of conceptual similarity".

13. I do not consider that the second sentence of the comments quoted above is, of itself, an admission that the average consumer will perceive "crep" as meaning trainers. There is a distinction between an acceptance that it may be used as a slang term, and therefore have a meaning for a section of consumers, and an acceptance that it would be so perceived by the average consumer as an undivided construct. However, the applicant's contention has more force when considered in the context of the opponent's other remarks, which appear to rely upon a shared conceptual meaning as a factor in its favour in the overall assessment of confusion. The opponent states at paragraph 6 of its statement of grounds that the marks are visually, conceptually and phonetically similar and has made, so far as I can see, no alternative claim regarding the conceptual position. There is nowhere in the statement of grounds a contention that the word "crep" has no meaning and the opponent relies upon a high degree of conceptual similarity owing to the shared concept of "crep". In the absence of an alternative claim, it appears to me that the decision must be made on the only basis on which the claim was brought, i.e. that the average consumer will perceive "crep" as a slang term for trainers. That is the basis on which I proceed.

Evidence

14. The sole witness for the opponent is Nohman S. Ahmed, a director and co-founder of the opponent. He provided a witness statement with one accompanying exhibit. He was not cross-examined.

15. Mr Ahmed says that "the word logo protected under registrations UK0002646128 and EU012434403" is displayed on "all goods, websites and social media sites, marketing documentation, documents received by customers when purchasing and any documentation relating to the Opponent's business".⁵ This is said to relate to all sales in the UK and globally.

16. Sales figures to UK customers have risen each year from £2.56 million between September 2014 and February 2016 to £5.2 million for the year ending February 2019.⁶ Sales for the year ending February 2020 were over £7.5 million.

⁵ Ahmed, §6.

⁶ Ahmed, §13.

17. Website prints are in evidence which show a range of goods, including sneaker cleaning wipes, rain and stain protector spray, cleaning kits, laces, cleaning 'erasers', cleaning solution and insoles.⁷ The prints appear to be taken from the opponent's website: the logo corresponding to EU12434403 is visible on each page and applied to some of the goods; the words "Crep Protect" are used in the accompanying product descriptions. The prints are not dated, though there is a copyright date of 2019 on pages for shoe care kits (pp. 4-5, 17) and laces (p. 8). Prices are given in sterling.

18. Articles from the *Financial Times* dated March 2019 and the *Sunday Times* dated December 2018 report that the opponent saw significant growth in 2017 and 2018.⁸ It is reported that the opponent originally manufactured a spray, then extended to cleaning kits, wipes and scuff erasers, that it has sold goods to companies such as JD Sports and Footlocker and that by December 2018 the opponent had secured a worldwide licence for Adidas shoe care.⁹ A press release reports the opening of a "sneaker service" in the new Adidas store in London. The figurative mark is visible, including on cleaning products, but the article is only dated "15 November".¹⁰

19. Prints from the opponent's social media sites are provided, which show the figurative mark and the words "Crep Protect".¹¹ Some cleaning products are visible. Although not dated, one is said to show a post from "11 months ago" and another gives the Twitter joining date as April 2012.¹² The opponent has 1.5 million followers on Instagram, 20,800 on Twitter and 28,800 on Tik Tok.

20. Information about the opponent's sponsorship activities is provided.¹³ All of it is dated after the relevant date, though I note that one article describes the opponent as "market innovators in the shoe care industry" and "the world's largest and fastest growing premium sneaker care brand".¹⁴ It is unclear where this was published; only 730 views are

- ⁸ NA1, pp. 24-27.
- ⁹ NA1, p. 26.
- ¹⁰ NA1, pp. 34-38.
- ¹¹ NA1, pp. 28-33. ¹² pp. 29, 32.
- ¹³ NA1, pp. 39-
- ¹⁴ P. 39.

⁷ Exhibit NA1, pp. 1-23

recorded. It is said that the opponent has been mentioned in music videos. However, only stills (one of which clearly shows the figurative mark on a can in the relevant period) are in evidence.¹⁵

21. That concludes my summary of the evidence, to the extent I consider necessary.

Proof of use

22. UK2646128 and EU12434403 had both been registered for five years at the application date of the mark in suit. They are, as a consequence, subject to the use provisions at s. 6A and evidence of such use was requested by the applicant. The relevant legislation reads:

"(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 relevant period.

(1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(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 –

¹⁵ NA1, pp. 46-47.

(a) within the relevant period 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 (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), 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 Community.

(5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

(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.".

23. Section 100 is also relevant. It reads:

"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".

24. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

"114. [...] The CJEU has considered what amounts to "genuine use" of a trade mark in a series of cases: Case C-40/01 Ansul BV v Ajax Brandbeveiliging BV [2003] ECR I-2439, La Mer (cited above), Case C-416/04 P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2006] ECR I-4237. Case C-442/07 Verein Radetsky-Order V Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky' [2008] ECR I-9223, Case C-495/07 Silberguelle GmbH v Maselli-Strickmode GmbH [2009] ECR I-2759, Case C-149/11 Leno Merken BV v Hagelkruis Beheer BV [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG [EU:C:2013:592], [2014] ETMR, Case C-141/13 P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [EU:C:2014:2089] and Case C-689/15 W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the

consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use:

Ansul at [38] and [39]; La Mer at [22]-[23]; Sunrider at [70]-[71], [76]; Leno at [29]-[30], [56]; Centrotherm at [72]-[76]; Reber at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]".

25. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law regarding a fair specification as being:

"In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned".

26. The relevant period for the assessment of genuine use is 9 November 2014 to 8 November 2019.

27. Mr Ahmed's evidence is that the opponent has generated sales in the UK increasing to several million pounds annually by February 2020, though I bear in mind that only a portion of the final year's sales are relevant. There is very little documentary evidence

which is clearly dated within the relevant period but there is some, albeit very limited, evidence of the figurative mark on spray cans used in YouTube videos. The article detailing the partnership with Adidas in the latter's London shop also shows the figurative mark on signage, as well as on cans of rain and stain protector spray, and cleaning wipes. It says that the opponent revealed its partnership with Adidas the previous month. As Ms Nezami pointed out, although the article is dated only "15 November", Mr Ahmed's statement is dated September 2020 and the article must, therefore, have been published no later than November 2019. The article from the *Financial Times* dated December 2018 indicates that in the period since February 2018 the opponent has secured a licence for Adidas shoe care. Consequently, it is probable that the article concerning the Adidas store dates from November 2018 or 2019. Bearing in mind that Mr Ahmed's evidence is that the figurative mark is the "key brand identifier" on all goods and promotional matter, including websites, coupled with the sales figures and the evidence of the mark in use in the relevant period, I find that EU12434403 has been put to genuine use in the form in which the mark was registered.

28. As for UK2646128, the device shown in the evidence is not quite identical: the registered mark features shading which is not shown in the evidence. However, s. 6A(4)(a) allows for the use of trade marks in variant form, providing that it does not alter the distinctive character of the mark. In *Nirvana Trade Mark*, BL O/262/06, Richard Arnold Q.C. (as he then was) identified the relevant questions as "(a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)". In *Hyphen GmbH v EU IPO*, Case T-146/15, EU:T:2016:469, the General Court ("GC") made it clear that an assessment of the relative distinctiveness of the trade mark and the additional components is required. The omission of the shading in the mark as used is, in my view, a very minor alteration which makes no difference to the distinctiveness of the mark as registered. It is acceptable variant use.

29. In terms of the goods and services in relation to which genuine use has been shown, the *Financial Times* article refers to shoe cleaning kits and wipes and the evidence, such as it is, points to the opponent being a manufacturer of shoe cleaning and protection

products. For that reason, despite there being no breakdown of the sales figures according to the particular goods upon which reliance is placed, I am satisfied on the evidence that there has been genuine use in relation to "shoe sprays; shoe cleaners [preparations]; waterproofing sprays for footwear" in class 3. There is no evidence that the opponent has sold shoe wax or shoe polish, which appear to me to be separate subcategories of goods.

30. There is a print showing laces for sale under the device mark which bears a copyright date of 2019. As the relevant date is 8 November 2019, it is not absolutely certain that the page is dated within the relevant period. However, what is decisive is the absence of any sales figures in relation to laces. There is no way for me to determine the extent of any sales. I do not consider that genuine use has been established in relation to laces, or for stud buttons, in respect of which there is no evidence at all.

31. As regards the services in class 40 of EU12434403's specification, in the absence of any sales figures relating to such services, including services provided at the Adidas store, I do not consider that genuine use has been established. Even had the evidence been better, the opponent would have run into difficulty in showing use in relation to the registered services on this evidence. The explanatory note to the Nice classification indicates that the services proper to class 40 are "mainly rendered by the mechanical or chemical processing, transformation or production of objects or inorganic or organic substances, including custom manufacturing services". Whilst the class includes services such as the dyeing of fabric, cleaning services are proper not to class 40 but class 37. The description of the services provided by the opponent in the Adidas store is of a cleaning service: it is a "premium take on shoe cleaning" with express and "two premium clean services" available. Customers are able to browse the shop whilst their shoes are "brought back to life". I accept that the opponent's "rain and stain repellent barrier" may be applied after cleaning but if that is the case it is, on the evidence before me, ancillary to the cleaning service: the purpose for which the shoes are presented to the opponent is cleaning, not waterproofing or fabric treatment proper to class 40. I conclude that the class 40 specification of EU12434403 does not include the services described in the evidence.

32. There is no evidence of any use in relation to EU12434403's goods in classes 18 or 25, or UK2646128's services in class 35. I would add that, in respect of class 25, although there is some evidence regarding insoles, whilst the insoles at issue would be proper to class 25, they are not themselves items of footwear; rather, insoles are parts or fittings for footwear, which are not included in the opponent's registration.

33. The consequence of the above findings is that genuine use has not been shown for UK2646128, which may not be relied upon. EU12434403 may be relied upon only for "shoe sprays; shoe cleaners [preparations]; waterproofing sprays for footwear" in class 3.

Section 5(2)(b)

34. 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".

35. Section 5A is also relevant and reads:

"5A. [...] Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only".

36. The following principles are gleaned from the decisions of the EU courts in Sabel BV v Puma AG, Case C-251/95, EU:C:1997:528, Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc, Case C-39/97, EU:C:1998:442, Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. Case C-342/97, EU:C:1999:323, Marca Mode CV v Adidas AG & Adidas Benelux BV, Case C-425/98, EU:C:2000:339, Matratzen Concord GmbH v OHIM, Case C-3/03, EU:C:2004:233, Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH, Case C-120/04, EU:C:2005:594, Shaker di L. Laudato & C. Sas v OHIM, Case C-334/05P, EU:C:2007:333, and Bimbo SA v OHIM, Case C-591/12P, EU:C:2016:591:

(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.

Comparison of goods

37. The goods to be compared are:

Earlier specifications	Contested specification
<u>UK3068415</u>	Class 25: Clothing, footwear, headwear.
Class 25: Clothing, footwear, headgear.	
EU13175005	
Class 25: Clothing, footwear, headgear	
Class 26: Shoe laces, boot laces, laces for footwear; shoe buckles, stud buttons [fasteners] for shoes.	
EU12434403	

Class 3: Shoe sprays; Shoe cleaners
[preparations]; Waterproofing sprays for
footwear.

38. The applicant appears to accept that the contested goods in class 25 are identical to the goods in class 25 of the specifications for UK3068415 and EU13175005.¹⁶ That is manifestly the case.

39. Turning to the earlier goods in class 26, when compared with clothing and headgear, I do not consider that there is a material overlap in channels of trade, nor is there a complementary relationship: the goods are neither important nor essential for one another's use. In the absence of any other point of similarity, save for users at too superficial a level to be determinative, I find that these goods are not similar. As regards footwear, there is likely to be some overlap in channels of trade and there is a reasonably pronounced complementary relationship between these goods which are routinely used together and which are likely to be perceived as the responsibility of the same undertaking. There is a medium degree of similarity between "footwear" and EU13175005's goods in class 26.

40. In relation to the goods in class 3 of EU12434403's specification, the applicant submits that, even allowing for a degree of complementarity between the opponent's goods and footwear, overall the goods in the earlier specification are not similar to the contested specification. The opponent submits that these goods are similar to a high degree.

41. I cannot see any meaningful similarity between the opponent's goods in class 3 and either clothing or headgear. That is because the nature and purpose of the goods are different, their channels of trade are unlikely to overlap and they are neither in competition nor complementary.

¹⁶ Submissions dated 23 March 2021, §§21, 27.

42. As far as the contested "footwear" is concerned, my view is that, whilst the nature and purpose of the respective goods differs, there is an overlap in channels of trade. I note the applicant's point that, in supermarkets, shoe cleaning products tend to be placed with household cleaning products rather than with shoes. However, it is common for shoe shops also to sell shoe cleaning and shoe protection products, albeit not on the same shelves. Further, the goods are important for one another's use and it is not unusual for a shoe manufacturer to offer their own shoe cleaning and protection products, though I accept that it is not universally the case. Overall, the overlap in channels of trade and the complementary relationship between these goods results in a medium degree of similarity.

The average consumer and the nature of the purchasing act

43. The average consumer is a legal construct deemed to be reasonably well informed and reasonably circumspect: *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) at [60]. 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 and services in question: *Lloyd Schuhfabrik.*

44. The average consumer for the goods at issue is a member of the general public. Though I accept the applicant's submission that there may be business purchasers (such as buyers for retailers) for the goods in class 3, this group will have a higher level of attention than the general public and it is not necessary for me to consider this group, for reasons which will become apparent. Ms Nezami submitted that the average consumer for the goods at issue will pay a lower than average level of attention because the goods are relatively inexpensive, repeat purchases. I do not accept that the level of attention will be below average for the goods in class 25. Although there will be some variation across the category, the goods are not, in the main, very expensive and will be purchased fairly often. However, attention will be paid to factors such as fit, style, colour and size. These goods will be selected with a medium degree of attention.

45. In New Look Limited v OHIM, joined cases T-117/03 to T-119/03 and T-171/03, EU:T:2004:293, the GC said

"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".

46. I see no reason why the same reasoning would not apply in this case, or why it would not apply also to footwear and headgear, which are also likely to be chosen by the consumer from the shelves of retail premises, or their online equivalents, following a visual inspection. Accordingly, I reject the opponent's contention that visual and aural perceptions will be of equal importance and find that the goods will be purchased mainly visually, though I accept that there may be an aural component to their selection.

47. Turning to the goods in classes 3 and 26 of the earlier marks, whilst some care will be taken to ensure, for example, that cleaning products are suitable for the footwear concerned or that laces are the required length and colour, these goods are likely to be fairly inexpensive and bought with some frequency. These factors result in a lower than average level of attention being paid to the selection of these goods. As they will be chosen from the shelves of retail premises or their online equivalents, the selection will be mainly visual, though I do not discount that there may be an aural aspect to the purchase.

Distinctive character of the earlier trade mark

48. In *Lloyd Schuhfabrik*, the Court of Justice of the European Union ("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)".

49. Given my conclusions as to the pleaded case, it follows that the word "crep" is descriptive of a type of footwear. Even when used in connection with footwear goods which are not trainers, it would be unrealistic to conclude that the word would not be descriptive, or at least non-distinctive, for such closely connected goods, particularly as other types of footwear may, even in the case of high-heeled or stiletto shoes, be designed to resemble trainers.¹⁷ "Crep" is distinctive of most items of clothing and of headgear. However, for goods such as socks, tights and stockings (which may be for sports, athletic or sweat-absorbent purposes), "crep" may be descriptive, because it signals the intended purpose of the goods, specifically that they are for use with trainers.

50. UK3068415 consists of the word "Creps" with no other elements. It is, in relation to footwear, as well as socks, tights and stockings, of low distinctiveness.¹⁸ It is neither

¹⁷ For discussion of a similar point, see *The Range Cooker Co Plc v Fourneaux De France Limited* (*"FOURNEAUX DE FRANCE" Trade Mark*), BL O/240/02.

¹⁸ A registered trade mark must be treated as possessing the minimum distinctive character required for registration: *Formula One Licensing BV v OHIM,* Case C-196/11P, EU:C:2012:314.

descriptive nor allusive in relation to other items of clothing and headgear and is inherently distinctive to a medium degree for such goods.

51. EU13175005 is a registration for the unadorned words "Crep Protect". As this combination will convey the meaning of protection for trainers, it is of low inherent distinctiveness in relation to footwear. It is neither descriptive nor allusive in relation to headgear and is averagely distinctive. It is also inherently distinctive to an average degree for most clothing items, for the same reasons. It is weakly distinctive in relation to socks, tights and stockings, where it may be perceived as having the intended purpose of protecting one's trainers from, for example, sweat and odours. For the goods in class 26, "Crep" is descriptive and "protect" is descriptive or non-distinctive, given that it may indicate, for example, a protective treatment applied to the goods to prevent staining or other damage. The mark is low in inherent distinctiveness for these goods.

52. EU12434403 consists of the slightly stylised words "crep protect" along with a ribbon device in yellow, which features two stars. For the goods upon which the opponent may rely, the words "crep protect" convey a clear message that the goods are intended to protect trainers, for example, from inclement weather or scuffs. In such circumstances, the device makes a greater contribution to the overall impression of the mark than it would were the words more distinctive but as a device it is weakly distinctive at best. I do not consider that EU12434403 has more than a low degree of inherent distinctiveness for the goods upon which the opponent may rely.

53. The opponent claims that the distinctiveness of EU13175005 has been enhanced in relation to shoe laces and that that EU12434403 benefits from enhanced distinctiveness for the goods in class 3. I am not prepared to find on the evidence that there has been any enhancement in relation to shoe laces: there is only one piece of evidence which is arguably within the relevant period and which shows shoe laces for sale; there are no sales figures specific to these goods. Acquired distinctiveness in relation to shoe laces has not been established.

54. As regards EU12434403, it appears from the evidence that the opponent's principal business is the manufacture of shoe cleaning and protector preparations. The UK sales

figures are reasonable, particularly as the goods themselves do not appear to be expensive, which suggests a good number of units have been sold. I remind myself that the opponent has established a relationship with Adidas and that it has been reported as a fast-growing company. However, I do not agree with Ms Nezami that the intensity of use can be inferred from the fact that the company has grown quickly: the reports in question appear to concern global sales, rather than sales in the EU or UK. The social media follower numbers are not insignificant but there is no way to determine the extent to which those followers are in the relevant territory. There is no indication of advertising spend and although Mr Ahmed says that there has been advertising in traditional media, there is no documentary evidence to establish the reach or intensity of such advertising. It seems likely that there has been some enhancement of the distinctiveness of EU12434403 in relation to all of the goods in class 3 upon which the opponent may rely, though only to a modest degree. The trade mark consequently has a fairly low level of factual distinctiveness. However, the evidence is insufficient to establish that the words "crep" or "crep protect" have themselves acquired a distinctive character.

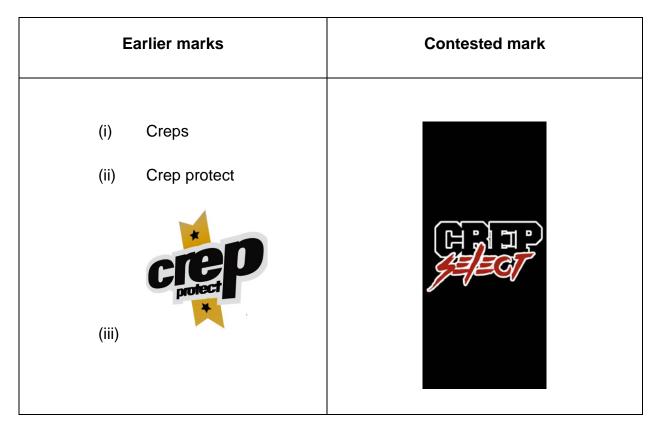
Comparison of trade marks

55. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details: *Sabel* (particularly paragraph 23). *Sabel* 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".

56. It would be wrong, therefore, artificially to dissect the 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:



57. The contested mark consists of the words "CREP" and "select" presented on a black background. The word "CREP" is presented in capital letters in a block typeface. The letters are black with a white outline. The word "select" is presented in a different, more stylised typeface which appears to feature a combination of upper- and lower-case representations of the letters (for example, the letters "e" resemble capital letters, whilst the letter "I" appears to be in lower case). Nevertheless, the word "select" will readily be identified by the average consumer. It is presented in red, with the letters outlined in white. I do not agree with the applicant that the average consumer will have any difficulty recognising the word "CREP", which is partially obscured by the word "select": although there is an overlap, the shape of the letter "R" is sufficiently visible that it will be perceived. The mark is dominated by the stylised words "CREP" for clothing, footwear and headgear also apply here. As "select" is laudatory, where "CREP" is descriptive the distinctiveness of the mark arises from the combination of the words and the presentation, all playing a

roughly equal role. Where "CREP" is distinctive to a medium degree, the overall impression is dominated by the words "CREP select", the balance of distinctiveness in favour of "CREP", and the particular presentation has a lesser, though not insignificant, role.

Comparison with UK3068415

58. This earlier mark consists of the single word "Creps", in which the overall impression is contained. Visually, both marks share the word "Crep"/"CREP" but there are differences because "Creps" in the earlier mark is plural, the contested mark contains the word "select" and the contested mark also has some stylisation. There is a medium degree of visual similarity.

59. One mark will be pronounced "Creps" and the other "Crep select". Even though the presentational differences between the marks will not be articulated, there is a medium degree of aural similarity overall.

60. Both marks share the concept of trainers. As I have indicated, "select" suggests that the goods are of a particular quality. There is therefore a reasonably high degree of conceptual similarity, though it is not a distinctive conceptual similarity where footwear and socks, tights and stockings are concerned.

Comparison with EU13175005

61. EU13175005 consists of the words "Crep Protect". Both words play a part in the overall impression. Where "Crep" has distinctive character in relation to the goods, the distinctiveness will be weighted in its favour, since "Protect" suggests a characteristic of the goods. Neither word is distinctive where footwear and footwear-related goods (including socks, tights and stockings) are concerned and each word will have an equal role in the overall impression of the mark, which conveys a clear meaning.

62. This mark and the contested mark share the word "Crep"/"CREP". However, the earlier mark also contains the word "Protect", whilst the later mark contains "select" and a degree of stylisation. The degree of visual similarity is a little lower than medium. I

consider that the same applies aurally: although the stylisation will not be verbalised, the marks share the same first word but have a different, longer second word.

63. The marks both convey the concept of trainers, though there is a conceptual difference because the earlier mark indicates protection and the contested mark that the goods are of a particular quality. They are conceptually similar to a medium degree but, as above, where footwear and footwear-related goods are concerned the shared concept is not distinctive.

Comparison with EU12434403

64. EU12434403 contains the word elements "crep protect" at a slight angle. The words are in black, in an unremarkable typeface, with a white outline. "crep" is much larger than "protect". There is also a ribbon device which runs almost vertically behind the words. It is yellow and has a black star at each end. Given the limited distinctiveness of the words themselves, I have come to the view that they will be read together and that the words play a roughly equal role with the device element in the overall impression.

65. Both marks share the word "crep"/"CREP" but they also both have another word ("protect"/"select"). Additionally, there is stylisation or a device in each. There is a fairly low degree of visual similarity. Both aurally and conceptually, the same considerations apply as to EU13175005: the aural similarity is rather less than medium, whilst there is a medium degree of conceptual similarity. As before, it is a non-distinctive conceptual similarity for footwear and footwear-related goods, including socks, tights and stockings.

Likelihood of confusion

66. In determining whether there is a likelihood of confusion, all of the above factors need to be borne in mind. They must be considered globally (*Sabel* at [22]), from the perspective of the average consumer. 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]). The factors considered above have a degree of interdependency (*Canon* at [17]): for example, a lesser degree of similarity

between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa.

67. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *LA Sugar Limited v Back Beat Inc.*, BL O/375/10, where Iain Purvis Q.C., sitting 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".

68. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, James Mellor Q.C. (as he then was), sitting 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 another mark to mind. That is mere association, not indirect confusion.

69. I also bear in mind the comments of Mr Purvis, again as the Appointed Person, in *Kurt Geiger Limited v A-List Corporate Limited*, BL O/075/13. He pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar, saying:

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it".

70. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask in what the distinctive character of the earlier mark lies. Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

71. I turn first to the opposition under UK3068415. The goods are identical and will be purchased through predominantly visual means with a medium degree of attention. For clothing (other than socks, tights and stockings) and headgear, the earlier mark is distinctive to a medium degree. I do not consider that there is a likelihood of direct confusion: the differences between the marks are sufficient to prevent the consumer misremembering one for the other. However, the medium degree of visual and aural similarity, coupled with a reasonably high degree of conceptual similarity between the marks, when considered alongside the other factors in issue for these goods, is likely to result in indirect confusion: the consumer will think that the marks are different brands used by the same or economically connected undertakings, particularly as the contested mark gives the impression of a particularly high quality range.

72. In relation to footwear and socks, tights and stockings, the position is different. The only common element between the trade marks is of low distinctiveness at best and the distinctiveness of the earlier mark has not been enhanced through use. The stylisation of the contested mark and the additional word "select" are enough to prevent a likelihood of direct confusion. Further, the average consumer is likely to perceive the common use of "CREP" as a matter of coincidence rather than economic connection, thus avoiding

indirect confusion. The opposition based upon this mark succeeds in relation to clothing and headgear but fails in relation to footwear and socks, tights and stockings.

73. Taking next EU13175005, I come to a similar conclusion. Where "Crep" is distinctive to a medium degree, i.e. in relation to clothing (other than socks, tights and stockings) and headgear, the differences between "protect" and "select" are insufficient to avoid indirect confusion. That is because the words "protect" and "select" are descriptive or nondistinctive and the consumer is likely to perceive the marks as variants used by the same or connected businesses. However, where footwear and socks, tights and stockings are concerned, "Crep" is not distinctive; the distinctiveness of both trade marks is contained in the combination of words and, in the contested mark, stylised elements. As the only point of overlap is descriptive, I do not consider that there is a likelihood of confusion, whether direct or indirect. I would add that the goods in class 26 do not improve the opposition's case. Although there is a lower level of attention in the selection of the earlier goods, the goods themselves are less similar. There is, for the reasons given above, no enhanced distinctiveness. As a consequence, I do not consider that the use of a word descriptive of the goods is indicative of an economic link between the parties responsible for the marks.

74. Insofar as EU12434403 is concerned, I have found that there is no similarity between the opponent's goods and either clothing or headgear. The opposition against these goods must be dismissed. The remaining "footwear" is similar to the earlier goods only to a medium degree. The earlier mark is factually distinctive to a fairly low degree; there is only a fairly low degree of visual similarity between the marks—of particular importance given the purchasing process—and less than a medium degree of aural similarity. Any conceptual similarity is not a distinctive similarity. In such circumstances, the differences between the marks are likely to lead the consumer to believe that the presence of the same word "crep"/"CREP" is coincidental, describing the goods or their purpose, rather than indicative of an economic connection, irrespective of the level of attention. There is no likelihood of confusion, whether direct or indirect.

75. My conclusion under s. 5(2)(b) is, therefore, that the opposition is dismissed insofar as it concerns "socks, tights, stockings; footwear" and upheld in relation to the other goods in class 25, for which it will be refused. As my decision constitutes a partial refusal of the application, I have considered whether I ought to allow the applicant time to reflect on its position and file an amended specification. However, I do not consider that there is a realistic possibility that there are additional goods contained within the "clothing" or "headwear" designations for which "crep" would be descriptive and I have concluded that inviting the applicant to file further submissions would have no material benefit.

Section 5(3)

76. Section 5(3) states:

"(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".

77. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, EU:C:1999:408, *General Motors* [1999] ETMR 950; Case 252/07, EU:C:2008:655 *Intel,* [2009] ETMR 13; Case C-408/01, EU:C:2003:582, *Adidas-Salomon,* [2004] ETMR 10; and C-487/07, EU:C:2009:378, *L'Oreal v Bellure* [2009] ETMR 55; and Case C-323/09, EU:C:2011:604, *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*).

78. In *General Motors,* the CJEU held that:

"25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark

cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it".

Reputation

79. I have found, above, that EU12434403 has a modest degree of enhanced distinctive character for "shoe sprays, shoe cleaners [preparations]; waterproofing sprays for footwear". For the same reasons, I consider that the earlier mark has a modest reputation for those goods.

Link

80. Ms Nezami suggested that the applicant does not appear to raise any objections to the s. 5(3) ground if the hurdles of genuine use and reputation are cleared. The applicant's position in its submissions is that the opponent has failed to meet the evidential burden required by those aspects of the claim. Given that position, it is neither surprising nor unreasonable that it has chosen not to comment on the remaining steps of the test. I do not think it would be proper to draw any inferences as to what its position might have been concerning the link and damage, had it taken a different view of the evidence.

81. Whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

82. I adopt the findings made at paragraphs 57 and 64 to 65, above. There is a fairly low degree of visual similarity, a lower than medium degree of aural similarity and a medium degree of conceptual similarity.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

83. For the reasons given at paragraphs 40 to 42, above, the contested goods in class 25 and the earlier goods are dissimilar or similar to a medium degree. I adopt my findings at paragraphs 44 to 47 in respect of the average consumer and the selection process. I can see no point of similarity between the earlier goods and the contested services in class 35: they differ in all material respects, including users, since the contested services will be used by business people who will pay a reasonably high level of attention. The selection of the services will also be mainly visual, for example through written material online or in advertisements, though I do not discount that there is potential for word of mouth recommendations.

The strength of the earlier mark's reputation

84. The earlier mark has a modest reputation.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

85. For the reasons given at paragraphs 52 and 54, above, the earlier mark is factually distinctive to a fairly low degree. However, the words "crep protect" alone are not distinctive.

Whether there is a likelihood of confusion

86. There is no likelihood of confusion concerning the goods in class 25. Nor do I think that there will be confusion in respect of the class 35 services: the goods and services are too remote and used by different consumers for confusion to arise.

87. Bearing in mind all of the above, I do not consider that the earlier mark will be brought to mind. Whilst I accept that "crep"/"CREP" appears in both marks, it is not distinctive in relation to the goods for which the earlier mark may be relied upon, nor is it distinctive in

relation to footwear in the contested specification. Although the earlier mark as a whole has acquired some distinctiveness, the descriptiveness of the common element is fatal, particularly when considered alongside what is at best a modest reputation and the presentational differences between the respective trade marks, which point the consumer away from, rather than towards, a link. Even bearing in mind that "CREP" is distinctive for clothing, headwear and the services in class 35, the gap between these goods and services and the earlier goods is too great and the reputation too small for the earlier mark to be brought to mind.

88. If I am wrong that there will be no link at all in relation to footwear, socks, tights and stockings, my view is that any bringing to mind of the earlier mark in relation to those goods would be no more than a fleeting reminder that there is another mark which uses "crep" to indicate goods for use with training shoes. I will briefly comment on the potential for damage in relation to these goods.

Unfair advantage

89. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded that:

"80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill."

90. Ms Nezami submitted that the opponent has a reputation for high quality and prestigious goods. My view is that the evidence establishes no such proposition. The only evidence dated within the relevant period which refers to the opponent's premium status is not independent: it was written by "Team Crep Protect". The press releases concerning sponsorship are dated outside the relevant period, I accept only by a little, but in any event offer only two examples of any comment on the opponent's reputation for quality. It is far from clear that the description in these is an independent view of the opponent's standing. The partnership with Adidas may be a vote of confidence but the mere fact of it does not show the nature of the opponent had a reputation for high quality or prestigious goods.

91. In any event, the kind of mental link described at paragraph 88, above, which arises because the consumer is aware of another mark using "crep" descriptively does not constitute the taking of unfair advantage of the earlier mark. On the contrary, use which merely informs the consumer that there is another undertaking producing goods for use with trainers is legitimate competitive use. Such use would not give rise to confusion, nor would there be any transfer of the image of the earlier mark or damage to its functions. This head of damage is dismissed.

Detriment to the distinctive character of the earlier mark

92. The opponent indicates that its case concerning this head of damage is at paragraphs 16 to 19 of its statement of grounds, the final paragraph of which being where the opponent sets out its reasoning. It states:

"By allowing the Applicant's Mark to proceed to registration, the Applicant will be exploiting the distinctive character and reputation of the Opponent to benefit its own marketing efforts, and therefore taking an unfair advantage. The Applicant will be using the Opponent's Marks as a vehicle for generating consumer interest in its own goods, making a saving on advertising and promotion, as it 'free rides' on the back of the Opponent's success and reputation. It is likely this will cause detriment to the Opponent, as the Opponent has no control over the kind and quality of the products the Applicant produces, and if these are of a lower standard to that of the Opponent, this can cause real damage to the Opponent's reputation, and could result in a loss of sales".

93. It is not clear to me that the opponent advanced any pleading specific to this head of damage. Its comments in the statement of grounds appear to concern unfair advantage and damage to the reputation of the earlier mark. My doubts as to the pleaded case notwithstanding, I see no reason why, in the absence of any confusion, the use of the contested mark would cause the relevant public any difficulty in distinguishing the goods marketed under the opponent's trade mark from goods marketed under the contested mark, particularly given the non-distinctiveness of the common element and the distance between the goods under consideration.

94. The opposition based upon s. 5(3) fails.

Conclusion

95. The opposition has succeeded in part. The application will proceed to registration for "socks; stockings; tights; footwear" in class 25 and for all of the services in class 35.

<u>Costs</u>

96. Both sides have had a measure of success. The applicant requested that consideration be given to its additional costs arising from the amendment to the notice of opposition allowed at the hearing. The opponent resists a separate award to the applicant for its supplementary submissions on the basis that the applicant could and should have addressed the proposed amendment in its initial written submissions. I accept that the additional submissions will have occasioned costs and I do not think it entirely fair to criticise the applicant for failing to respond in detail to an amendment which may not have been allowed. However, the applicant was aware of the application to amend prior to filing

its written submissions and, as the opponent points out, made only the briefest of responses despite the limited effect of the amendment. I also consider it relevant to bear in mind the reasonableness of the opponent's request to amend. In my view, although it was made very late and could plainly have been made earlier, the distinctiveness of the earlier marks was in issue and it was not unreasonable for the opponent to wish to align its case under s. 5(2)(b) with the use it has made of the marks and any corresponding enhancement in distinctiveness. In the result, I decline to make an award and direct that the parties bear their own costs.

Dated this 16th day of June 2021

Heather Harrison For the Registrar The Comptroller-General