

**O/607/21**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION NO. 3448829  
IN THE NAME OF GLOBE ASSIST LIMITED IN  
RESPECT OF THE TRADE MARK**



**IN CLASS 9**

**AND**

**IN THE MATTER OF AN OPPOSITION THERETO UNDER NO. 419808  
BY TRU KIDS INC.**

## BACKGROUND AND PLEADINGS

1. On 3 December 2019, Globe Assist Limited (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the United Kingdom. The application was accepted and published in the Trade Marks Journal on 13 December 2019 in respect of *power adapters* and *power adapters for use in vehicle lighter sockets* in class 9.

2. On 13 March 2020, TRU Kids Inc. (“the opponent”) filed an application to oppose the application under Section 5(4)(a) of the Trade Marks Act 1994 (“the Act”) on the basis of its alleged earlier rights in the sign ‘TOYS R US’, having traded in *toys, games and playthings, and accessories for these goods; electrical and electronic goods and accessories for these goods* and *online and in-store retail services relating to all of the aforesaid goods* under this sign throughout the UK since 1985. The opponent claims that the applied-for mark is evocative of its earlier sign, in connection with which it has acquired a significant goodwill. With regard to that goodwill, the opponent submits that it is successor to Geoffrey, LLC and its parent company Toys “R” Us, Inc. and, by way of that succession, it is the beneficial owner of any residual goodwill accrued prior to the assignment. Furthermore, the opponent submits that for the applicant to make use of the applied-for mark would constitute a misrepresentation as consumers would “incorrectly perceive some connection between the opponent and applicant, or an authorisation on the part of the opponent, when no such connection or authorisation exists”. As a consequence, the opponent claims that it would incur damage to its goodwill by way of injury to reputation, loss of brand control and dilution of the opponent’s well-known TOYS R US brand.

3. In its counterstatement, the applicant submits that the opponent failed to establish how the earlier right is similar to the applicant’s mark. It denies that the opponent’s mark is distinctive and that the use of its trade mark would mislead the public. It further challenges the opponent to establish why such use would constitute a misrepresentation or loss of brand control.

4. The opponent is represented by Elkington & Fife LLP whilst the applicant is unrepresented. Both parties filed evidence but neither requested a hearing, though both

elected to file written submissions in lieu. This decision is taken following a careful reading of all the papers, which I will refer to as necessary.

## **Evidence**

### **The opponent's evidence in chief**

5. The opponent's evidence in chief comprises an affidavit from Mr Matthew Finigan, the opponent's Chief Financial Officer and Treasurer, supported by Exhibits 1 to 7.

6. Mr Finigan submits that the opponent's TOYS R US brand was put to use 'on a substantial scale' in relation to a number of goods and services which included:

"a wide variety of electronic products sold with chargers, as well as charges (sic), batteries and AC adaptors sold separately as accessories/replacement parts, because many products aimed at infants, children and young adults are electronic and therefore require chargers. The type of electronic products retailed by the Company and its predecessor, under the TOYS R US Marks, ranged from 'electric scooters, battery powered electric toy ride on cars and dirt bikes, remote controlled toy vehicles, baby monitors and interactive developmental toys' to 'laptops, laptop chargers, computer games consoles, digital cameras, video recorders, CD and DVD players, audio MP3 plyers (sic), audio speaker docking stations, touch screen tablets, and satellite navigation."

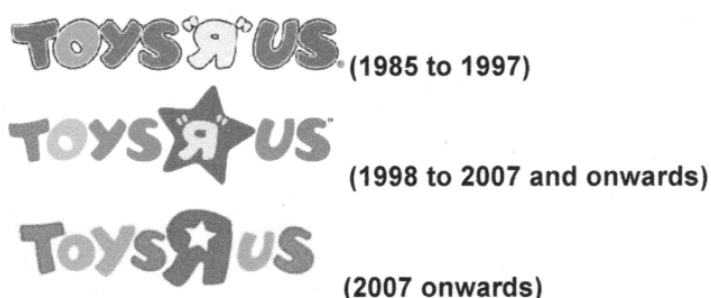
7. As shown at Exhibit 1, the opponent's company is the successor in title to Geoffrey LLC and to its parent company, Toys "R" Us, Inc., owning all relevant intellectual property, trading goodwill and other assets. Mr Finigan submits that the opponent's global TOYS "R" US brand has developed widespread public recognition and appeal since the early 1960s. He states that Toys "R" Us, Inc. was one of the world's leading retailers of toys and baby products and the leading retailer in the UK. Also at Exhibit 1 are a number of documents alluding to the opponent's position in the marketplace globally and in the UK.

8. In 2014, Toys “R” Us, Inc. was placed at number 466 on a list of the world’s most valuable brands and, in 2017, it was positioned at number 22 on the Forbes list of America’s largest private companies and number 272 on the list of ‘Fortune 500’ companies. For the fiscal year ending 28 January 2017, the company’s worldwide net sales stood at US\$11.54 billion.

9. Toys “R” Us, Inc. began trading in the UK in 1985 by opening five stores. It had opened 80 further stores in the UK by the time it ceased trading on 24 April 2018, all of which were operated by the opponent’s subsidiary, Toys “R” Us Limited. In 2015, said subsidiary posted pre-tax profits of £16.3 million.

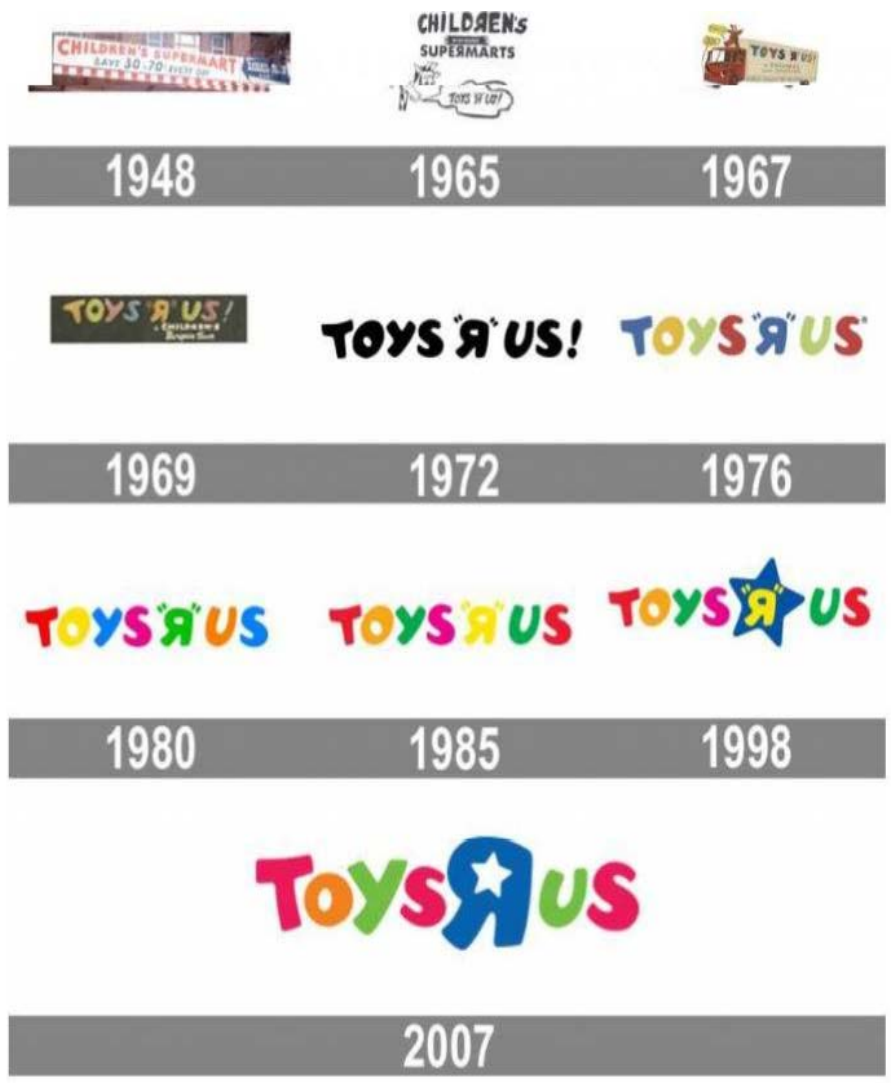
10. At Exhibit 2 are a combination of documents intended to show the financial standing of the opponent’s subsidiary company and evidence of its UK stores. The articles’ dates range from 18 June 2008 to 12 April 2018. An article from Retail Week dated 29 October 2015 is headed “Toys R Us profits rocket after four consecutive years of UK decline”. The remaining articles relate to Toys R Us eradicating the use of ‘boys and girls’ categories in its online store and a move towards more inclusive signage in-store, introducing a quiet hour for its customers affected by autism, the implications of the company’s administration, a 25-year milestone for its Cardiff branch and the rollouts of various products at its stores. Also enclosed is an extract from a financial statement pertaining to the period 13 January 2016 to 28 January 2017.

11. Mr Finigan explains the evolution of the Toys R Us brand from 1985 until its cessation, having been in use consistently in the UK from 2007. Mr Finigan submits that a significant proportion of consumers in the UK would be familiar with these logos on account of their widespread, extensive and longstanding use.



12. Furthermore, Mr Finigan states that the opponent also traded substantially under the trade marks 'BABIES R US' and 'R US' in the UK.

13. Exhibit 3 serves to demonstrate how the opponent's brand has been displayed both on storefronts and on promotional in-store displays throughout its operation.





14. Mr Finigan describes Exhibit 4 as “evidence of the recent resurgence of the TOYS R US brand”. The exhibit shows screenshots taken in September 2020 showing goods advertised on the TOYS R US site directing consumers to Amazon.com, where the goods are available via various retailers. The prices are displayed in dollars but shipping to the UK is available. I also have sight of screenshots dated 7 January 2020 taken from Amazon’s UK site, showing a number of items sold by Toys R Us with prices displayed in GBP. A Google search for ‘toys r us uk relaunch’ carried out on 8 August 2019 shows a number of videos pertaining to the brand’s relaunch.

15. At Exhibit 5 are a selection of purchase orders and invoices between the opponent and third parties based in China. An order placed by the opponent with Nicer Holdings Limited of Hong Kong shows an order for multiple ‘VIPER SMOKE SCOOTERS’ totalling 43,824USD.

16. Exhibit 6 comprises archived screenshots, with dates ranging between 1998 and 2017, of the opponent’s UK webpage displaying various items for sale, a sample of which are shown below. It also encloses pages taken from the opponent’s Facebook account, with posts dated between 2014 and 2018 and data relating to the internet traffic to ‘toysrus.co.uk’. It is not clear from the extracts how many social media ‘followers’ the opponent attracted, though Mr Finigan submits that it had a “large presence” and that, by April 2018, its website had received millions of ‘unique’ visitors. The data shows that 50.7% of the site’s visitors are from the UK and that half of the website’s visitors are directed from a search engine. Daily page views per visitor are recorded as 1.40 with the daily time spent on the site 57 minutes.



The screenshot shows the Toys R Us website interface. The top navigation bar includes links for 'Your Account', 'Help', 'Contact Us', 'Delivery', and 'Recruitment'. Below this is a search bar and a 'Shop for:' section with a dropdown menu currently set to 'Sound & vision'. The main content area displays two product listings:

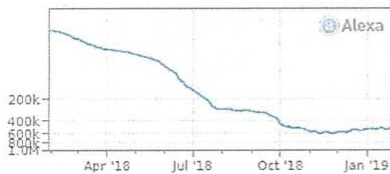
	<b>Casio AD 1EL Adaptor</b> Casio adaptor for use with Casio SA67 keyboard	<b>Price £7.99</b>
	<b>Casio AD 5EL Adaptor</b> Casio adaptor for use with Casio CTK691, LK43, LK45 and LK55 keyboards	<b>Price £12.99</b>

To the right, a product page for a 'Masterplug 1m 4 Way Extension Lead' is visible, showing a price of £3.99. Below the product listings, there is a 'Wayback Machine' archive link and a section for a 'PS3 Move Charging Unit' with a price of £21.89.

How popular is toysrus.co.uk?

Alexa Traffic Ranks

How is this site ranked relative to other sites?



Global Rank

504,935 ▲ 40,601

Rank in United Kingdom

41,808

17. Exhibit 7 focuses on the opponent's promotional activities, enclosing extracts of various advertisements and catalogues from 2005 to 2018 and extracts from promotional videos published between 1980 to 2017, taken from YouTube. Mr Finigan draws my attention to the advertisement's referral to products being available at "Toys R Us stores and online" and at "Stores Nationwide". As indicated in the Contents page shown below, such products include a variety of types of toy (soft toys, wooden toys, action toys, for example) but also goods falling within the category 'Electronics'. The evidence shows retail of electronic items, not limited to toys, but also expanding to goods such as DVD players, printers, televisions and cameras.

**Toys R Us**  
Stores Nationwide www.toysrus.co.uk

**HUGE SAVINGS ON 1000s OF toys, bikes, outdoor fun, pools, games, MP3s and much much more!**  
**PLUS BABIES R US SALE IN EVERY STORE FOR ALL YOUR BABY GEAR!**  
**The only real toy store for kids!**

**BIGGEST EVER SALE!**

**HALF PRICE VIDEO GAMES FROM ONLY £4.99**  
CHOOSE FROM 100s OF PS3, PSP, XBOX 360, Wii, AND NINTENDO DS GAME TITLES IN-STORE NOW!

**MASSIVE TOY SALE**  
**HALF PRICE £6.98**

**BIGGEST EVER BABIES R US SALE**  
**STROLLERS FROM ONLY £24.99** SAVE £5

**PRICE BREAKTHROUGH**  
**HALF PRICE £49.99**

**GREAT OUTDOOR SAVINGS**  
**SAVE £10 £59.99**

**MASSIVE BIKE SALE!**  
**RALEIGH BIKES ONLY £39.99** SAVE £20

**THE ONLY REAL TOY STORE FOR KIDS!**

PG.3 BABIES R US  
PG.4 PRE-SCHOOL  
PGS. 7, 19, 25-27 WOODEN TOYS  
PG.12 FAVOURITE CHARACTERS  
PG.18 INTERACTIVE PLAY  
PG.34 ARTS & CRAFTS  
PG.46 SCIENCE  
PG.52 ROLE PLAY  
PG.58 FASHION DOLLS  
PG.66 COLLECTIBLES  
PG.70 SOFT TOYS  
PG.74 ★ STAR GIFTS ★  
PG.75 CONSTRUCTION  
PG.82 ACTION TOYS  
PG.94 ACTION VEHICLES  
PG.98 PUZZLES & GAMES  
PG.110 BIKES, SCOOTERS & WHEELS  
PG.118 NERF & SPORTS  
PG.122 ELECTRONICS  
PG.126 VIDEO GAMES  
PG.132 ★ STAR GIFTS ★

**Toys R Us**  
STORES • ONLINE • MOBILE

**Take Time to Pay! ReServe Now, Pay Later**  
Choose your items from across the store!  
Relax knowing your items have been reserved for you!  
Make payments over time!  
After your final payment, you can pick them up!

**WE WON'T BE BEATEN ON PRICE!**  
WE WON'T BE BEATEN ON PRICE!  
AND BE FIRST TO FIND OUT ABOUT OUR GREAT DEALS!

**YOU COULD WIN A £100 TOYS R US GIFT CARD!**  
SIMPLY BY SIGNING UP TO OUR NEWSLETTER!  
www.toysrus.co.uk/subscribe

**3 EASY WAYS TO SHOP THIS CHRISTMAS!**  
STORES NATIONWIDE  
**CLICK & COLLECT** (IN JUST 20 MINUTES)  
Restore your items online at www.toysrus.co.uk and pick up your order FREE at any Toys R Us store.  
**BUY ONLINE MOBILE**  
Plus FREE delivery when you've ordered £29.99 or more (available until 31 October. See website for details).

**ALL STORES OPEN LATE 7 DAYS A WEEK**  
Please check www.toysrus.co.uk for local store addresses & opening hours.

**Toys R Us**  
STORES NATIONWIDE Call 0800 136 77 77 for your nearest store or visit www.toysrus.co.uk

**HALF PRICE HALF PRICE**

**SOUND CITY RAILWAY SET TABLE**  
Now only **£99.99**

**KEYBOARD WITH STOOL**  
Now only **£14.99**

**HALF PRICE HALF PRICE**

**FLYER QUAD 6V**  
Now only **£69.99**

**NEO JUST LIKE THE PROS BASKETBALL**  
Now only **£39.99**

**FREE PINK DVD PLAYER**  
WHEN YOU BUY PINK 15" LCD TV  
ONLY **£149.99**

**HALF PRICE CAMERA AND PRINTER**  
ONLY **£99.99**

**ALL STORES OPEN MON - SAT 9 'TIL 10PM**  
**MON-SAT SUN 11 'TIL 5PM**

**BATTERY POWERED DEALS!**

**QUAD RUBICON 6V**  
Jump on this stylish battery powered single seat quad and watch your child zoom up to 20mph!  
WAS £69.99  
Available online Ref: 701633

**KING CROSS QUAD 6V**  
Chunky quad featuring foot pedals, accelerator, electric lighting, horn and silver body work!  
WAS £149.99  
Available online Ref: 701678

**THOMAS TRAIN AND TRACK**  
Build your track and ride your own Thomas Train! Drive Thomas while he plays a tune and makes train sounds. Tow Garfield as you go.  
WAS £119.99  
Available online Ref: 702124

**FERRARI 6V**  
Stylish official battery powered replica of the Ferrari F430 complete with rechargeable 6V battery.  
WAS £169.99  
Available online Ref: 720818

**PINK DAREWAY 12V**  
Revolutionary battery powered vehicle that allows 300 degree spins!  
WAS £149.99  
Available online Ref: 702819

**ROLLY JUMBO TRACTOR**  
Great four wheel drive tractor complete with front loader and rear excavator for digging fun!  
WAS £149.99

**Razor EXTREME WHEELS!**

**SPARK SCOOTER**  
Kick back on the wheels to try to create an awesome trail of sparks which is sure to impress your mates!  
WAS £54.99  
Available online Ref: 001308

**RIPSTIK**  
The coolest thing to do is to ride the Ripstik!  
WAS £29.99

**1100 BLACK SCOOTER\***  
This stylish electric scooter can now travel up to 10 miles on one single charge!  
WAS £169.99  
Available online Ref: 700770

**POCKET MOD\***  
Kick on your new fav with this electronic Pocket Mod, which features a variable speed, 1000w motor, large pneumatic tyres and a retractable kickstand!  
WAS £249.99  
Available online Ref: 913021

**Buy Now Pay May 2010\***  
when you spend over £150  
Typical **29.9% APR** variable

\*Terms and conditions apply. See page 7 for details. Credit provided by Santander cards UK Limited.



## **The applicant's evidence**

18. The applicant's evidence comprises a witness statement dated 24 November 2020 from Mr Muhammad Mazhar Naim, the applicant's director, and supporting exhibits MN-01 to MN-04.

19. At Exhibit MN-01, Mr Naim encloses a progress report ("LIQ03") obtained from Companies House relating to the voluntary winding up of Toys R Us (UK) Limited. The report is dated 23 July 2020 and provides information pertaining to, inter alia, the company's liquidation and financial standing.

20. Exhibit MN-02 comprises a second Companies House document relating to Toys 'R' Us Limited, specifically a 'Notice of administrator's progress report' ("AM10"), which is dated 25 September 2020.

21. Exhibit MN-03 is a printout from the Companies House webpage displaying an overview of TOYS "R" US LIMITED which, it states, is a private limited company, the status of which is "In Administration".

22. Enclosed as Mr Naim's final exhibit, MN-04, is a copy of a decision issued by the Intellectual Property Office, BL reference O/103/19. The decision concerns an application to register a figurative 'Game of Vapes' mark and an opposition thereto under sections 5(2)(b), 5(3) and 5(4)(a) of the Act. I have reviewed the decision but each case is decided on its own merits and the outcome of any prior proceedings is not binding on me, nor even particularly persuasive.

## **The opponent's evidence in reply**

23. This comprises an affidavit from Anand Shah, General Counsel and Secretary of TRU Kids Inc, dated 5 March 2021 which introduces further exhibits 8 to 11.

24. At Exhibit 8 are further catalogue extracts showing the opponent's use of the TOYS R US mark, a sample of which is shown below. The catalogues show an extensive

variety of toys and playthings available for sale as well as electronic products including tablets, camcorders and mobile telephones.



25. At Exhibit 9 the opponent refers to a number of promotional videos advertising various electronic goods. In several of the videos, the TOYS R US mark is shown alongside the brand responsible for manufacturing those goods (Playstation, Motorola, for example). Mr Shah refers specifically to a 1992 UK advertisement for a baby monitor which mentions a “Rechargeable Battery” and “AC Adaptor”.

26. Enclosed at Exhibit 10 are photographs showing supply chain transport advertising the opponent’s Toys R Us brand and storefronts bearing the ‘TOYS R US’ and ‘BABIES R US’ signs, in a stylised format. It also provides photographs of in-store displays at different branches showing various electronic goods offered by the opponent. The goods include keyboards, games consoles, computers and various accessories.

27. In his witness statement, Mr Shah offers further insight into the opponent’s UK turnover, specifically that relating to sales of “electrical and electronic goods and accessories for these goods” sold under the TOYS R US mark. The figures provided by Mr Shah are displayed in the table below, though I note these are approximate.

<b>YEAR</b>	<b>TURNOVER</b>
2012	\$735,150.09
2013	\$680,201.93
2014	\$710,123.12
2015	\$666,157.16
2016	\$553,457.27
2017	\$500,470.03
2018 (only to April)	\$26,628.11

28. At Exhibit 11, Mr Shah encloses a copy of a decision issued by the IPO, reference BL O/378/20, which concerned the mark ‘EDU-SCI’. The opponent’s referral to that decision goes to its claim that the opponent is the owner of the residual goodwill referred to, and relied upon, in its pleadings. In that case, the hearing offer concluded that “on a balance of probabilities, Geoffrey, LLC was the owner of the goodwill at the relevant date” but that “the assignment agreement... clearly assigns those trade marks and the goodwill of the business “symbolized or associated with said trademarks”.”

## **Legislation**

29. Section 5(4)(a) of the Act reads as follows:

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) .....

(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.”

30. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

### **General principles of Section 5(4)(a)**

31. 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).”

### **Decision under 5(4)(a)**

#### **Goodwill**

32. In *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL), goodwill was described in the following terms:

“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.”

33. As set out in the case law above, the first element that must be established in order for a claim to be successful under section 5(4) is that the opponent held a protectable goodwill in the mark relied upon at the relevant date which is, for the purpose of these proceedings, 3 December 2019.

34. 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 than 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.”

35. 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.”

36. The opponent claims to have a protectable goodwill in connection with its business in *toys, games and playthings, and accessories for these goods; electrical and electronic goods and accessories for these goods and online and in-store retail services relating to all of the aforesaid goods*. In assessing the evidence, I am mindful that, in the majority of the exhibits, TOYS ‘R’ US is presented in a figurative format. The words are presented in a rounded, bubble-style typeface with the central ‘R’ in reverse orientation and the letters often in alternating colours. Still, notwithstanding the significance of the stylisation, the words themselves are the sign’s most distinctive element and will be a clear indicator of the opponent’s brand, and representative of its goodwill. Furthermore, I take into account, when determining in which goods and/or services the opponent’s goodwill lay (and where any residual goodwill lies), I also bear in mind that the evidence shows that the opponent sold a number of goods manufactured by third parties, with the goods clearly bearing an alternative mark. However, there were also exhibits showing available goods with no evidence of a third party brand. Whilst I keep that in mind, it does not seem appropriate to conclude that these goods were necessarily sold under the ‘TOYS R US’ sign, though I accept that may have been the case.

37. I turn now to briefly address the opponent’s standing. It is settled law that when a trader ceases to carry on his business, for a period of time he may retain the goodwill attached to that business and, by extension, the ability to enforce his rights<sup>1</sup>. The point

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<sup>1</sup> *Ad Lib Club Limited v Granville* [1971] FSR 1 (HC)

at which the goodwill no longer exists is a matter of fact and degree. In the present case, the period between the cessation of trade and the relevant date is approximately twenty months. However, it is apparent from the evidence before me, and the financial insight up to 2017, that the opponent maintained a very strong presence on the UK market during its years of trading. Taking those factors into account, in viewing the evidence as a whole, I conclude that the goodwill was extant at the relevant date in the UK. The significant sales figures and promotional materials likely mean, in my view, that the opponent's residual goodwill remained fairly strong. Whilst in operation, the opponent was clearly a leading entity in the toy market with a significant reputation. I am satisfied that the opponent's goodwill extends to the *retail of toys, games, playthings and electronic goods and accessories for these goods*.

### **Misrepresentation**

38. The second element required to be met in order to satisfy a pleading under section 5(4)(a) is that of misrepresentation.

39. 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.”

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

40. 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.”

41. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), it was acknowledged that there is no requirement for a common field of activity but that the plaintiff (here, the opponent) must establish that there would be likely confusion among the common customers of both parties. The absence of a common field of activity was, therefore, held not to be fatal. However, where there is no or only a tenuous degree of overlap between the parties' respective fields of activity, the burden of proving the likelihood of confusion and resulting damage is a heavy one<sup>2</sup>.

42. I note the opponent's comments regarding the distinctive elements of the respective marks, namely that the respective elements 'TOYS' and 'Chargers' are descriptive of the goods sold under each, leaving the distinctiveness lying predominantly in the shared 'R US' element. I bear in mind, however, that 'TOYS' is not descriptive of *all* of the services where goodwill has been found; it of course has a greater degree of distinctiveness in respect of services which are not related explicitly to toys.

43. Whilst I accept that, as the respective 'TOYS' and 'Chargers' word elements in the competing marks are, to an extent, and will be seen to be, descriptive of the goods or services offered under each mark, the 'R' Us' element is likely to carry a greater degree of distinctiveness, I would still not pitch this at a high degree. In my experience, the term

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<sup>2</sup> *Harrods*, p.714

will be widely understood as a term which simply indicates that the trader deals exclusively or primarily in the goods or services to which it refers. There are clear visual differences between the sign and the contested mark. The mark's first word 'Chargers' is notably longer than 'TOYS' (which also prompts a difference in the respective aural expressions) and there is an additional figurative depiction (of a charger) in the application. On balance, I am minded to conclude that the later mark will be evocative of the earlier sign, in which I am satisfied that the opponent amassed a significant goodwill (for the services identified). I would expect no more than a medium degree of attention to be applied to the selection of the respective goods and services by the relevant public which in this case, in my view, is likely to predominantly comprise the general public.

44. As the case law shows, when considering the matter of misrepresentation, I must keep in mind the closeness of the fields of activities in which the parties operate. My understanding of the opponent's evidence leads me to conclude that the heart of its business lies in the retail of toys, games and playthings, both electronic and otherwise; it was clearly a leading toy retailer in the UK during its years of operation. Indeed, Mr Finigan describes the opponent as a "world leading retailer of toys, baby products and related goods". It follows that the opponent also sold goods intended to power such items; batteries and chargers, for example. I note the opponent's catalogues feature, for example, 'accessory packs' sold alongside games consoles, which include chargers, among other accessories. Whilst I am not of the view that the opponent's goodwill would likely extend to chargers, or power adapters, per se, I have found that it extends to electronic items which are not necessarily 'toys' or 'playthings'; camcorders or baby monitors, for example. Still, such items do not appear to have been the opponent's primary focus and I have no sales figures pertaining to chargers, or adapters, nor the additional electronic goods to contradict my view that the retail of such items represents a smaller, or secondary, element of the opponent's business. I am mindful, however, that such aspects of the business encroach somewhat on the applicant's intended field of activity, though there is, to my mind, a clear distinction between a retail service and a manufacturer of goods. That being said, I must consider the consumers' perception, to what extent a proprietary evolution from "TOYS' R US' to "Chargers' R Us' would be considered likely, or even natural. To my mind, the digression is too great. For a proprietor to move away from a broad sector such as toy retail to what appears to be a

much narrower or niche field, specifically in the manufacturing of power adapters, seems highly unlikely, even more so on account of the difference in nature between *retail* services and the *production* of goods. Weighing these conclusions against my earlier considerations regarding the limited distinctiveness of the mark/sign's common element, I am not persuaded that consumers would erroneously believe the applicant's goods to originate from the opponent.

45. For completeness, in reaching that conclusion I have borne in mind the opponent's claim to a 'family' of "R US" marks. The claim was not put forward in any meaningful terms, but was mentioned briefly in the opponent's pleadings. It claims to have used a variety of registered and unregistered marks containing the 'R US' element in the UK since 1985, though it refers only to stylistic variations of its 'TOYS R US' sign and its BABIES R US sign. In short, I am not satisfied that the evidence sufficiently demonstrates use of a family of marks. In my experience, a pleading to a family generally requires at least three signs displaying a common element and, more importantly, the only mark specifically pleaded in the opponent's Notice of Opposition is 'TOYS R US'. I need not, therefore, consider the matter of a family of marks any further. The misrepresentation ground fails. In the absence of misrepresentation, there is no damage.

## **COSTS**

46. The applicant has been successful and is entitled to a contribution towards its costs. Whilst I note that the applicant sought legal assistance, it remained unrepresented throughout the course of the proceedings and was therefore invited to complete a cost pro forma, which it returned alongside written submissions filed in lieu of a hearing.

47. The Litigants in person Act 1975 specifies that costs for unrepresented parties be awarded at a rate of £19 per hour. In its pro forma, the applicant requests an hour for time spent on its notice of defence, an hour for considering forms filed by the other side, 30 minutes for 'various communications' with the other side, 5 hours and 30 minutes for 'preparing evidence and statements' and a further 4 hours for 'seeking legal assistance and conducting search regarding this case'. I note, however, that the applicant has attributed a sum of £400 to the legal assistance it sought. Having

carefully considered the particulars of the case, I consider 12 hours a reasonable amount of time for an unrepresented party to have spent navigating the proceedings. Furthermore, generally, £400 does not seem an excessive fee for an intervention from a legal provider. However, costs are not intended to be compensatory; they are contributory. I therefore award Mr Naim the sum of £428 as a contribution toward the cost of the proceedings, calculated as follows:

Time spent on the proceedings (12 hours at £19 per hour)	£228
Seeking legal assistance	£200
<b>Total</b>	<b>£428</b>

48. I order TRU Kids Inc. to pay Globe Assist Limited the sum of £428. The sum should be paid within twenty-one days 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 18th day of August 2021**

**Laura Stephens**  
**For the Registrar**