

O-587-22

**TRADE MARKS ACT 1994**  
**IN THE MATTER OF**  
**TRADE MARK APPLICATION NO. 3572309**  
**BY SHENZHEN HANYUXING OPTOELECTRONICS CO., LTD.**  
**TO REGISTER**

**GooHue**

**AS A TRADE MARK IN CLASS 11**

**AND**

**OPPOSITION THERETO**  
**UNDER NO. 424511**  
**BY SIGNIFY HOLDING B.V**

## Background and pleadings

1. On 26 December 2020, Shenzhen Hanyuxing Optoelectronics Co., Ltd. (“the applicant”) applied to register the trade mark shown on the cover page of this decision.
2. The application was published for opposition purposes on 19 February 2021 for the following goods:

Class 11 Table lamps; Sun ray lamps; Strings of lights [rope lights]; Strings of coloured lights for decorative purposes; Solar lights; Sockets for electric lights; Spot lights for household illumination; Sconces [electric light fixtures]; LED luminaires; LED light bulbs; Lanterns for lighting; Lighting fixtures; Light bars; Lamps for christmas trees; Lamps for festive decoration; Lighting fixtures for household use; Lighting installations; Garden lighting; Flexible lamps; LED flashlights.

3. Signify Holding B.V (“the opponent”) filed a notice of opposition on 19 May 2021. The opposition is based upon sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and directed against all the goods in the application. For its claims under section 5(2)(b), the opponent relies upon all the goods covered by the following International Registration designating the UK (“IR”):

### HUE

**IR registration no.** 01328134

**Designation date:** 26 November 2018

**Date of protection of the international registration in the UK:** 16 May 2019

#### **Goods:**

Class 9 Control apparatus and computer software programs and electronic lighting components for so called “solid state” lighting or led lighting, controlled by a switch that can send and receive digital data or by hand-held, wearable and mobile digital apparatus for sending and receiving of digital data.

Class 11 Apparatus for lighting, electric lamps, lighting fixtures and lighting installations controlled through a communications network by means of a switch that can send and receive digital data or by means of hand-held, wearable and mobile digital devices for sending and receiving digital data.

4. Given its filing date, the above mark is an earlier trade mark in accordance with section 6 of the Act. As the earlier mark has not been registered for five years or more at the filing date of the contested mark, it is not subject to proof of use provisions.
5. The opponent claims that the goods in the application are identical or highly similar to the goods covered by the earlier mark and that the marks are highly similar. As a consequence, the opponent claims that there is a likelihood of confusion including a likelihood of association under section 5(2)(b).
6. Under section 5(4)(a), the opponent claims goodwill in the sign Hue Go. The opponent further claims that it first used the sign as early as January 2015 throughout the UK in relation to lighting, control apparatus for lighting, software for the control of lighting. Consequently, the opponent submits that it is entitled to prevent the use of the contested mark under the law of passing off.
7. The applicant filed a counterstatement denying the grounds of opposition. The applicant submitted that the marks and the goods are “totally different”.
8. The opponent is represented by Elkington and Fife LLP and the applicant is represented by Ms Gloria Qsing. Only the opponent filed evidence and written submissions. I make this decision after a careful reading of all the papers filed by the parties.
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.

## **Evidence**

10. The opponent's evidence comes in the form of the witness statement of Mr Stephen James Rouatt dated 13 December 2021, together with 3 exhibits. Mr Rouatt is the Chief Executive Officer for the UK and Ireland of Signify N.V. and the opponent is a wholly owned subsidiary of Signify N.V. I will return to Mr Rouatt's evidence later in the decision.

## **Section 5(2)(b)**

11. Section 5(2)(b) of the Act is 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”.

## **Case law**

12. The following principles are gleaned from the judgments of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.*, Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C3/03, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L.Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles:

(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 the 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 greater 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 to mind the earlier mark, 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**

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

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

14. Guidance on this issue has also come from Jacob J. (as he then was) in *British Sugar Plc v James Robertson & Sons Ltd* (the Treat case), [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

15. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market* (Trade Marks and Designs) (OHIM), Case T-325/06, the General Court (“GC”) stated that ‘complementary’ means:

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

16. In *Gérard Meric v OHIM*, the General Court (“GC”) held that goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application - and vice versa.<sup>1</sup>

17. The conflicting goods are as follows:

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<sup>1</sup> case T-133/05

Applicant's goods	Opponent's goods
<p>Class 11</p> <p>Table lamps; Sun ray lamps; Strings of lights [rope lights]; Strings of coloured lights for decorative purposes; Solar lights; Sockets for electric lights; Spot lights for household illumination; Sconces [electric light fixtures]; LED luminaires; LED light bulbs; Lanterns for lighting; Lighting fixtures; Light bars; Lamps for christmas trees; Lamps for festive decoration; Lighting fixtures for household use; Lighting installations; Garden lighting; Flexible lamps; LED flashlights.</p>	<p>Class 11</p> <p>Apparatus for lighting, electric lamps, lighting fixtures and lighting installations controlled through a communications network by means of a switch that can send and receive digital data or by means of hand-held, wearable and mobile digital devices for sending and receiving digital data.</p>

18. The applicant's apparatus for lighting table lamps; sun ray lamps; strings of lights [rope lights]; strings of coloured lights for decorative purposes; solar lights; spot lights for household illumination; sconces [electric light fixtures]; LED luminaires; LED light bulbs; lanterns for lighting; lighting fixtures; light bars; lamps for Christmas trees; lamps for festive decoration; lighting fixtures for household use; lighting installations; garden lighting; flexible lamps; LED flashlights are identical to apparatus for lighting in the opponent's specification under the *Meric* principle.

19. The nature and purpose of *sockets for electric lights* in the application differ from apparatus for lighting in the opponent's specification. However, the applicant's goods are important for the use of the opponent's goods and the average consumer is likely to consider that the goods originate from the same undertaking. Their channels of trade and users would coincide. Considering these factors, I find that the respective goods are similar to a medium degree.



## The average consumer and the nature of the purchasing act

20. It is necessary for me to determine who the average consumer is for the respective parties' goods.

21. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median”.

22. I do not have submissions from the parties on the average consumer. I find that the average consumer of the conflicting goods comprises of members of the general public and business customers. The goods are most likely to be the subject of self-selection from retail outlets, websites or catalogues. Visual considerations are, therefore, likely to dominate the selection process. However, I do not discount an aural element to the purchase. The goods are unlikely to be subject to frequent purchases. Their price may vary, for example, solar lights for domestic use are likely to be cheaper than apparatus for lighting for industrial purpose. When making a purchase, the average consumer may consider factors such as output, compatibility and safety, as well as energy consumption or cost. These factors suggest that the average consumer consisting of the general public is likely to pay a degree of attention that is likely to vary from low to medium. A business user is likely to pay a fairly high degree of attention.

## Distinctiveness of the earlier mark

23. The distinctive character of the earlier mark must be considered. The more distinctive it is, either inherently or through use, the greater the likelihood of confusion (*Sabel BV v Puma AG*). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee 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).”

24. The opponent’s mark comprises of the word Hue, which means colour. The word is slightly allusive in relation to lights whose colours can be changed. I find that the mark possesses a medium degree of inherent distinctive character.

25. The opponent does not claim enhanced distinctive character of its earlier mark. The opponent has filed evidence; however, it primarily concerns the use of the

sign Hue Go. There are some references to products identified as Hue in the invoices. This evidence in itself is insufficient to establish enhanced distinctive character of the mark Hue. I also think that the word Go in the sign Hue Go adds to the overall distinctiveness of that sign and cannot be considered a variant of the mark Hue.<sup>2</sup> Therefore, the evidence of the use of the sign Hue Go does not demonstrate the enhanced distinctiveness of the mark Hue. Accordingly, I will proceed based on the inherent position.

### **Comparison of marks**

26. It is clear from *Sabel BV v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

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

28. The trade marks to be compared are as follows:

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<sup>2</sup> *Hypen v EUIPO*, EU:T:2016:469, [30] T-146/15

Contested trade mark	Opponent's trade mark
GooHue	HUE

29. In the contested mark, as the letters G and H are presented in capital letters, the average consumer is likely see it as comprising of two words, namely, Goo and Hue. The mark's overall impression and distinctiveness lies in the words "GooHue".
30. The overall impression and the distinctiveness of the opponent's mark lies in the word Hue.
31. The visual and aural difference between the marks is introduced by the word Goo presented at the beginning of the contested mark. Accordingly, I find that the marks are visually and aurally similar to a medium degree.
32. Conceptually, I agree with the opponent that the word hue alludes to colour. There were no submissions from either side on the conceptual position of the word Goo in the contested mark. I think the average consumer is likely to see the word Goo denoting the slang word goopy, which means soft and sticky. Whatever meaning is attributed to the word Goo, it neither forms a unit nor changes the meaning of the word Hue. As the marks coincide in the concept of hue, I find that the marks are conceptually similar to a medium degree.

### **Likelihood of confusion**

33. I now proceed to the assessment of likelihood of confusion. In the notional assessment I undertake to determine whether there is a likelihood of confusion, I need to bear in mind several factors. The first is the interdependency principle, i.e. a greater degree of similarity between the respective goods may be offset by a lesser degree of similarity between the trade marks, and vice versa (*Canon* at [17]). It is also necessary for me to bear in mind the distinctive character of the opponent's trade mark, as the more distinctive the trade mark is, the greater the likelihood of confusion (*Sabel* at [24]). I must also keep in mind the average

consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks, relying instead upon the imperfect picture of them they have retained in mind (*Lloyd Schuhfabrik* at [26]).

34. Confusion can be direct (which occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks/goods down to the responsible undertaking being the same or related).
35. The difference between direct and indirect confusion was explained in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, by Iain Purvis Q.C., sitting as the Appointed Person, where he 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”.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade

mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('26 RED TESCO' would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)".

They are only examples, and every such case must be decided on its merits.

36. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors*,<sup>3</sup> Arnold L.J. referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria*<sup>4</sup> where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold L.J. agreed pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

37. Earlier in this decision, I concluded:

- That the contested goods are identical or similar to a medium degree;
- That the goods will be selected primarily by visual means, with a low to medium degree of attention paid by the general public and fairly high degree of attention by business users;
- That the marks are visually, aurally and conceptually similar to a medium degree;
- That the opponent's mark is inherently distinctive to a medium degree.

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<sup>3</sup> [2021] EWCA Civ 1207

<sup>4</sup> BL O/219/16

38. I am of the view that the presence of “Goo” in the contested mark is prominent enough to dispel a likelihood of direct confusion.

39. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J. considered the impact of the CJEU’s judgment in *Bimbo*, Case C-591/12P, on the court’s earlier judgment in *Medion v Thomson*. The judge said:

“18. The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19. The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20. The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another

component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21. The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

40. The marks share the word Hue, which possesses a medium degree of inherent distinctive character. Despite the presentation of the contested mark as a single word, the word Hue retains an independent distinctive role within that mark. When encountered with identical or similar goods, the consumer would think that the contested mark is a sub-brand of the opponent’s mark or there is an economic connection between the undertakings. Even when fairly high or medium degree of attention is paid to the purchase process, the similarity arising from the word Hue would lead to a likelihood of indirect confusion. Confusion is even more likely when a low degree of attention is paid when purchasing the goods.

41. The opposition, therefore, succeeds under section 5(2)(b).

#### **Section 5(4)(a)**

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

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

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

b) ...



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

51. 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).”

### Goodwill

43. The opponent claims goodwill in the sign Hue Go. The goodwill depends on the existence of customers in the UK for Hue Go goods at the relevant date.<sup>5</sup> The goodwill must also be more than trivial in extent.<sup>6</sup> The opponent’s evidence can be summarised as below:

- The opponent’s parent company was formed in 2016 as a result of the separation of the lighting division from the Koninklijke Philips group of

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<sup>5</sup> *Starbucks (HK) Limited and Another v British Sky Broadcasting Group Plc & Others*, [2015] UKSC 31

<sup>6</sup> *Hart v Relentless Records* [2002] EWHC 1984 (Ch)

companies (“Philips”). Mr Rouatt states that the opponent produces and markets goods bearing the sign Hue Go under a trade mark license from Philips.

- Brochures are in evidence which according to Mr Rouatt were circulated in the UK in 2015 and 2017. Following is a description of the product provided in the brochure:

#### Portable



Philips Hue Go is the most versatile light in your home. When plugged into a power outlet, use it to paint your walls with coloured or white light. Unplug it from the power outlet and Philips Hue Go becomes a portable centerpiece that you can carry around to have the best light for your activities. Powered by a rechargeable internal battery, it can last for up to 3 hours. Also in portable mode, Philips Hue Go can be fully controlled with your smart device. The built-in smart battery management guarantees maximum usage. Although Philips Hue Go is not waterproof, it is designed to withstand high humidity.

#### On-product control



Control Philips Hue Go even without your smart device at hand. Activate light settings directly by pressing the button on the product. Choose from 7 different light effects: functional warm white light, cool energising daylight and 5 natural dynamic light effects that match your special moments. Or cycle through the colour choices by quickly tapping and then holding the button until the desired colour comes up. The fun really starts when you connect Philips Hue Go with the Bridge. Control Philips Hue Go from your smart device and discover the endless possibilities.

- Sample invoices from 2019 – 2021 are in evidence. The invoices show sale of products under the sign Hue Go to recipients based in the UK.
- Hue Go products have won awards. Awards include iF award, Good Design Award and Red Dot award, all in 2015. Jury of Red Dot award described the product as:

“Hue Go is an innovative lamp that allows the creative use of light. Its compact dimensions support individual use.”

However, it is not clear if those awards were in the UK.

That concludes the summary of the evidence so far as I consider necessary.

44. There is evidence that products bearing the sign Hue Go have been in use in the UK since 2015. The revenue generated under the sign from 2015 until the relevant period appears to be substantial; Mr Rouatt provides the following breakdown figures:

2015 – In excess of £400,000  
2016 – In excess of £800,000  
2017 – In excess of £600,000  
2018 – In excess of £500,000  
2019 – In excess of £700,000  
2020 – In excess of £1,000,000  
2021 – In excess of £700,000 (year to date)

45. Mr Rouatt also provides the following amount spent on advertising and promoting the sign:

2015 – In excess of £400,000  
2016 – In excess of £100,000  
2017 – In excess of £600,000  
2018 – In excess of £1,000,000  
2019 – In excess of £1,500,000  
2020 – In excess of £1,000,000  
2021 – In excess of £2,000,000 (year to date)

46. The opponent's marketing expenditure appears to be almost the same as its revenue. For instance, both revenue and expense were recorded in excess of £400,000 in 2015, while the marketing expense was double the revenue in 2017 and 2018. That puts some doubt on the accuracy of the advertising figures. However, I note that there was no request to cross-examine Mr Rouatt on his evidence about the advertising spent. Despite the doubt about the accuracy of the advertising figures, it is clear that there was substantial trade in Hue Go products in the UK prior to the relevant date. In spite of the marginal dip in 2016-2018, the sales rose to more than 1 million in 2020 from over £700,000 recorded in 2019. The level of sales and expenditure indicate that the sign has been used

and promoted in the UK on a substantial scale since 2015. I, therefore, find that the opponent has established that it had substantial goodwill in the UK at the relevant date under Hue Go. The nature of this goodwill was in relation to portable lamps.

#### Misrepresentation and damage

47. *Halsbury's Laws of England* Vol. 97A (2012 reissue) provides guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

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

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

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

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

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

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

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

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

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

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

48. I infer that the applicant’s following response is in relation to the claim under section 5(4)(a):<sup>7</sup>

“Applicant's and Registrants goods are distinct in both design and function, it is not particularly likely that consumers would seek to purchase those goods at the same time. Therefore, there can be no presumed relationship between those consumers targeted by Applicant and those targeted by Registrant.”

49. I will clarify for the applicant that when comparing the goods, I must consider the notional and fair use of the contested mark in all the circumstances in which it may be used in relation to various lighting products covered by its

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<sup>7</sup> In the counterstatement, the applicant states “in response to section C of 5(2)(b) of Q4 of page 8”. Section C and Q4 of page 8 concerns the opponent’s section 5(4)(a) claim.

specification. This includes the use of the mark in relation to portable lamps as well.

50. Portable lamps for which the opponent has shown goodwill are either identical or highly similar to all the goods save sockets in the application. Sockets are similar to a medium degree to portable lamps.

51. The contested mark and the sign in which the opponent has an earlier right are shown below.

Contested mark	Earlier right
GooHue	Hue Go

52. As mentioned earlier, the average consumer is likely see the contested mark as comprising of two words, namely, Goo and Hue.

53. The earlier right consists of the words Hue and Go. In relation to portable lamps whose colours can be changed, the sign is slightly allusive of the characteristics of the goods. Nonetheless, I find that the sign possesses a medium degree of distinctive character.

54. Visually, all words constituting the earlier right are contained in the contested mark. In terms of difference, the contested mark contains an additional letter “o” and the words forming the mark are joined. The contested mark begins with the letters “Go” while the opponent’s mark ends in those letters. Considering all these factors, I find that the contested mark is visually similar to the earlier right to a medium degree.

55. In terms of aural similarity, the marks coincide in the pronunciation of the word Hue, which would be pronounced conventionally. The word Go in the earlier right would also be given its conventional pronunciation. The word Goo in the contested mark would be pronounced with a long ending “oo” sound. As the difference in the articulation is at the beginning, I find that the contested mark is aurally similar to the earlier right to a degree that is between low and medium.

56. Conceptually, as mentioned earlier, Hue means colour and Goo is likely to invoke the concept of something soft and sticky. The word go in the earlier right means to move from one place to another. Taking account of these factors, I find the conceptual position to be medium degree.
57. At paragraphs 20 – 22, I considered the relevant public, their likely level of attention during the purchase process, and the way the goods would be purchased. I adopt those findings for the purposes of this assessment.
58. The question of whether the use of the contested mark would amount to a misrepresentation, therefore, depends on an overall assessment of all relevant factors. No one such factor automatically trumps the others. It is also necessary to keep in mind that passing-off does not require deception amongst all, or even a majority, of the opponent's Hue Go customers. It is sufficient if a substantial number are deceived.
59. Considering the extent of similarity between the marks that arise from the shared words and the substantial goodwill the opponent has demonstrated in the sign Hue Go, I find it likely that the use of the contested mark will confuse and deceive a substantial number of the opponent's customers or potential customers if the contested mark is used in relation to identical or similar goods. The consumers are likely to think that there is an economic connection between the undertakings.
60. I must now go on to consider if the opponent has suffered, or is likely to suffer, damage as a result of this misrepresentation. Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 HL, stated that the opponent must show that "he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill".
61. In *Draper v Trist and Trisbestos Brake Linings Ltd* 56 RPC 429 Goddard L.J. stated:

"But in passing-off cases, the true basis of the action is that the passing-off by the defendant of his goods as the goods of the plaintiff injures the

right of property in the plaintiff, that right of property being his right to the goodwill of his business. The law assumes, or presumes, that if the goodwill of a man's business has been interfered with by the passing-off of goods, damage results therefrom. He need not wait to show that damage has resulted, he can bring his action as soon as he can prove passing-off; because it is one of the class of cases in which the law presumes that the Plaintiff has suffered damage. It is in fact, I think, in the same category in this respect as an action for libel. We know that for written defamation a plaintiff need prove no actual damage. He proves his defamation. So, with a trader; the law has always been particularly tender to the reputation and goodwill of traders. If a trader is slandered in the way of his business, an action lies without proof of damage."

62. In my view, the level of confusion and deception will be sufficient to damage the opponent's goodwill. This would arise through the diversion of sales and/or through the opponent losing control of the reputation for its goods. It follows that the use of the contested mark in relation to the goods covered by its specification would amount to passing off.

## **Conclusion**

63. The opponent is successful. The application may be refused.

## **Costs**

64. The opponent has been successful and is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. I award costs to the opponent on the following basis:

Filing a Notice of opposition and considering the applicant's counterstatement	£400
Filing evidence	£400



Filing submissions	£300
Official fee	£200
Total	£1,300

65. I, therefore, order Shenzhen Hanyuxing Optoelectronics Co., Ltd. to pay Signify Holding B.V the sum of **£1,300**. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

**Dated this 8<sup>th</sup> day of July 2022**

**Karol Thomas**  
**For the Registrar**  
**The Comptroller-General**