

O/594/22

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION NO. UK00003472748

IN THE NAME OF LI CHUNPENG

FOR THE FOLLOWING SERIES OF TRADE MARKS

**JUKSTG**

jukstg

IN CLASS 18

AND

AN APPLICATION FOR A DECLARATION OF INVALIDITY

UNDER NO. 503597

BY SHENZHEN HAICHUANGZHONGXIANG INTERNATIONAL COMMERCE CO.,  
LTD.

## BACKGROUND AND PLEADINGS

1. Li ChunPeng (“the proprietor”) is the registered proprietor of the trade mark registration displayed on the cover page of this decision (“the contested mark”). The mark has a filing date of 6 March 2020 and a registration date of 9 August 2020. It is registered for the following goods:

**Class 18:** *Purses; School bags; Card cases [notecases]; Travelling trunks; Leather shoulder belts; Reins for guiding children; Umbrella or parasol ribs; Umbrellas; Umbrella covers; Parasols; Mountaineering sticks; Canes; Walking sticks; Walking stick seats.*

2. On 27 January 2021, Shenzhen Haichuangzhongxiang International Commerce Co., Ltd. (“the applicant”) applied to have the proprietor’s mark declared invalid under Section 47(2) of the Trade Marks Act 1994 (“the Act”). The application is based upon Section 5(4)(a) of the Act. This is on the basis of the applicant’s alleged earlier rights in the sign JUKSTG. The applicant claims that the sign has been used in relation to *umbrellas; umbrella covers and ribs* since 21 October 2018 in the UK through the website [www.amazon.co.uk](http://www.amazon.co.uk) and that it has acquired goodwill under the sign. Use of the contested mark would therefore be a misrepresentation to the public and result in damage to the applicant’s goodwill.

3. The proprietor filed a counterstatement denying the claims made. In its defence, the proprietor says that it has been using the contested mark for, inter alia, umbrellas, since March 2017 and states “*Please see the attached evidence*”. However, no evidence was attached to the counterstatement.

4. Only the applicant filed evidence in these proceedings. Whilst I do not propose to summarise the evidence here, I have taken it into account in reaching my decision and will refer to it below where necessary.

5. The proprietor is represented by Yuzhou chen AFL and the applicant by Isabelle Bertaux. Neither party requested a hearing, nor did they file submissions in lieu. This decision is taken following a careful perusal of the papers.

## **The evidence**

6. The applicant filed evidence in the form of a witness statement and two exhibits from Isabelle Bertaux, the IP lawyer for the applicant company. Ms Bertaux's witness statement is dated 5 November 2021.

## **Relevance of the EU law**

7. 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.

## **DECISION**

8. Section 5(4)(a) of the Act has application in invalidation proceedings by virtue of Section 47(2) of the Act, which states as follows:

“(1) [...]

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

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

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

[...]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

[...]

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed.”

9. Section 5(4)(a) states:

“(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.”

10. 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.”

11. 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)."

12. Halsbury's Laws of England Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

"Establishing a likelihood of deception generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation<sup>1</sup> 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 indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source<sup>2</sup> or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which 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 claimant and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the claimant;
- (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 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”.

### **The relevant date**

13. The matter must be assessed as at the relevant date. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, as the Appointed Person, endorsed the registrar’s assessment of the relevant date for the purposes of Section 5(4)(a) of the Act, as follows:

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

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

the position would have been any different at the later date when the application was made.”

14. Although the proprietor claimed to have used the contested mark before the filing date, it did not provide any evidence to support such a claim. Consequently, the relevant date for this invalidity action is the filing date of the contested mark, namely 6 March 2020.

## **Goodwill**

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

“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.”

16. 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.”

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

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

18. In *Smart Planet Technologies, Inc. v Rajinda Sharma* [BL O/304/20], Mr Thomas Mitcheson QC, as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. After reviewing these authorities Mr Mitcheson concluded that:

“.. a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon.”



19. After reviewing the evidence relied on to establish the existence of a protectable goodwill, Mr Mitcheson found as follows:

“The evidence before the Hearing Officer to support a finding of goodwill for Party A prior to 28 January 2018 amounted to 10 invoices issued by Cup Print in Ireland to two customers in the UK. They were exhibited to Mr Lorenzi’s witness statement as exhibit WL-10. The customers were Broderick Group Limited and Vaio Pak.

37. The invoices to Broderick Group Limited dated prior to 28 January 2018 totalled €939 and those to Vaio Pak €2291 for something approaching 40,000 paper cups in total. The invoices referred to the size of “reCUP” ordered in each case. Mr Lorenzi explained that Broderick Group Limited supply coffee vending machines in the UK. Some of the invoices suggested that the cups were further branded for onward customers e.g. Luca’s Kitchen and Bakery.

38. Mr Rousseau urged me not to dismiss the sales figures as low just because the product was cheap. I have not done so, but I must also bear in mind the size of the market as a whole and the likely impact upon it of selling 40,000 cups. Mr Lorenzi explained elsewhere in his statement that the UK market was some 2.5 billion paper coffee cups per year. That indicates what a tiny proportion of the market the reCUP had achieved by the relevant date.

39. Further, no evidence was adduced from Cup Print to explain how the business in the UK had been won. Mr Rousseau submitted to me that the average consumer in this case was the branded cup supplier company, such as Vaio Pak or Broderick Group. No evidence was adduced from either of those companies or from any other company in their position to explain what goodwill could be attributed to the word reCUP as a result of the activities and sales of Cup Print or Party A prior to 28 January 2018.

40. Various articles from Packaging News in the period 2015-2017 had been exhibited but again no attempt had been made to assess their impact on the average consumer and these all pre-dated the acquisition of the goodwill in the

UK. I appreciate that the Registry is meant to be a less formal jurisdiction than, say, the Chancery Division in terms of evidence, but the evidence submitted in this case by Party A as to activities prior to 28 January 2018 fell well short of what I consider would have been necessary to establish sufficient goodwill to maintain a claim of passing off.

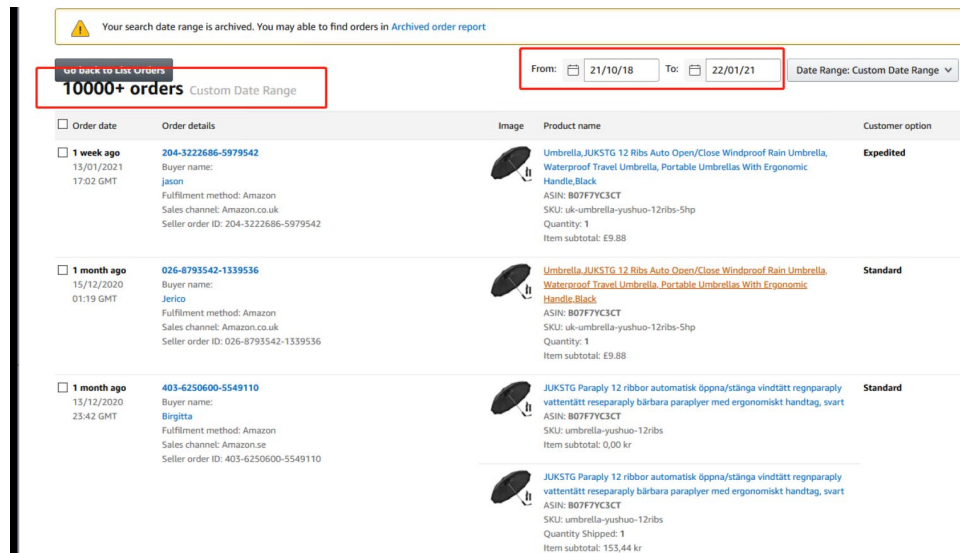
41. This conclusion is fortified by the submissions of Party B relating to the distinctiveness of the sign in issue. Recup obviously alludes to a recycled, reusable or recyclable cup, and Party B adduced evidence that other entities around the world had sought to register it for similar goods around the same time. The element of descriptiveness in the sign sought to be used means that it will take longer to carry out sufficient trade with customers to establish sufficient goodwill in that sign so as to make it distinctive of Party A's goods."

### *The existence of goodwill*

20. The case law above indicates that to be useful the evidence must be directed to the relevant date. The only documentary evidence supporting the witness statement are:

1. copies of webpages from <https://jukstg.co.uk> undated save for the printing date of 2021/11/5. This evidence is after the relevant date and, as such, is not very helpful;
2. copies of two orders (one is duplicated) dated 30 May 2016 and 19 April 2016, respectively. The order dated 30 May 2016 is for a "JUKSTG Bracelet USB Charging Cable Data Charging Cord for iPhone" purchased in the UK for £6.78. The order dated 19 April 2016 is for an "Umbrella JUKSTG" purchased in the UK for £29.99;
3. printouts from <https://sellercentral.amazon.co.uk> confirming the following orders:
  - JUKSTG umbrella purchased on 21 October 2018 in the UK for £8.88;

- JUKSTG umbrella purchased on 22 October 2018 in the UK for £8.88;
- JUKSTG umbrella purchased on 23 October 2018 in the UK for £8.88;
- four orders dated 13 January 2021, 13 December 2020 (x2) and 15 December 2020 (all of which are after the relevant date) for four JUKSTG umbrellas. The page displaying these orders looks like that:



As it can be seen, the top of the page contains two red rectangular shapes which incorporate the words “10,000 + orders” and “from 21/10/218 to 22/01/21”. Whilst this evidence suggests that 10,000 orders were taken between 21 October 2018 and 22 January 2021 it is not clear what proportion of the orders taken relates to goods sold before the relevant date of 6 March 2020. Further, there is nothing to confirm that all of the orders taken relate to the sale of umbrellas or umbrella covers and ribs under the brand JUKSTG. This is a particular issue for the applicant due to the evidence at paragraph 20 point (2) above in that it has sold other goods, namely USB cables, so this “10,000+” list of goods may also include goods other than umbrellas or umbrella covers and ribs.

4. Copy of a business report (shown below) from Amazon Seller Central:

amazon seller central

UDGEEP Direct | www.amazon.co.uk | English | Search | Messages | Help | Settings

Catalogue Inventory Pricing Orders Advertising Stores Growth Reports Performance Apps & Services B2B Brands

Sellers who own a brand and are internal to the brand can now make better informed strategic decisions to grow their business with Brand Analytics. Go to Brand Analytics under the Reports drop down or click [here](#) to begin.

From: 22/01/2019 To: 22/01/2021

Detail Page Sales and Traffic by Child Item [Learn more](#)

(Parent) ASIN	(Child) ASIN	Title	Sessions	Session Percentage	Page Views	Page Views Percentage	Buy Rate Percentage	Units Ordered	Units Ordered B2B	Unit Session Percentage	Unit Session Percentage - B2B	Ordered Product Sales	Ordered Product Sales - B2B	Total Order Items	Total Order Items - B2B
B077D683C6	B077D683C6	Wireless Mouse, JUKSTG 2.4G Ergonomic Durable Rice With 6 Buttons, 800 DPM (600 DPI) 9 Adjustment Levels, Computer Cordless Mouse Super Energy Saving for Laptop, PC, Windows, Mac, HomeOffice, Black	26,168	12.97%	36,264	12.04%	93%	15,690	330	59.96%	2.03%	£98,698.82	£3,151.66	14,444	269
B079K3492C	B079K3492C	Umbrella, JUKSTG 12 Ribes Auto Open/Close Windproof Rain Umbrella, Waterproof Travel Umbrella, Portable Umbrellas With Ergonomic Handle, Black	50,138	24.85%	71,027	23.58%	89%	25,828	354	31.51%	0.71%	£192,743.65	£2,565.52	23,791	151
B07F7V32CT	B07F7V32CT	Umbrella, JUKSTG 12 Ribes Auto Open/Close Windproof Rain Umbrella, Waterproof Travel Umbrella, Portable Umbrellas With Ergonomic Handle, Black	53,294	26.42%	84,463	28.04%	92%	18,154	132	34.06%	0.25%	£228,055.57	£1,620.41	16,627	105
B0862272PT	B0777C6ACT	Umbrella, Waterproof Travel Umbrella, Portable Umbrellas With Ergonomic Handle, Black	60,742	30.11%	92,804	30.80%	84%	21,644	205	35.62%	0.34%	£239,613.95	£2,396.73	20,025	103
B07D9WQ224	B07DFW2424	Desk Lamp, JUKSTG 64 pin LED Eye-Caring Table Lamp, 10 Brightness Levels with 5 Lighting Modes, LED Desk Light, Dimmable Office Lamp with Touch-Sensitive Control, 12W Reading Lamp, Black	6,856	3.40%	10,009	3.32%	97%	1,078	41	15.72%	0.60%	£15,265.83	£642.18	962	22
B089Y3454Z	B089Y3454Z	UOGEEP Earphones, In-Ear Headphones with Microphone and In-Line Volume Control, Noise Reduction Stereo, Bluetooth 5.0, Soft and Comfortable Earbuds for Devices with 3.5mm Headphones Jack	1,208	0.60%	1,898	0.63%	97%	1,034	12	85.60%	0.99%	£4,121.69	£47.88	967	10
B07D9K0P38	B07D9K0P38	LED Desk Lamp, JUKSTG 64 pin LED Eye-Caring Table Lamp, 7 Brightness Levels Office Lamp with 4 Lighting Modes, USB Charging Port, L-H Auto-Timer, Light Filter, Touch Control, 14W Adjustable Reading Lamp, Silver	1,529	0.76%	2,170	0.72%	1%	2	2	0.13%	0.13%	£99.98	£99.98	2	2
B08FDC6363	B083D50498	Desk Lamp, JUKSTG 64 pin LED Eye-Caring Table Lamp, 10 Brightness Levels with 5 Lighting Modes, LED Desk Light, Dimmable Office Lamp with Touch-Sensitive Control, 12W Reading Lamp, White	1,695	0.84%	2,476	0.82%	1%	5	2	0.29%	0.12%	£139.94	£61.97	5	2
B07D79H8G3	B07D79H8G3	White	2	0.00%	2	0.00%	0%	0	0	0.00%	0.00%	£0.00	£0.00	0	0
B0862272PT	B082199T2W	JUKSTG Umbrella 12 Ribes Auto Open/Close Windproof Rain Umbrella, Waterproof Travel Umbrella, Portable Umbrellas With Ergonomic Handle, Black	5	0.00%	8	0.00%	100%	0	0	0.00%	0.00%	£0.00	£0.00	0	0
B083D50498	B083D50498	Desk Lamp, JUKSTG 64 pin LED Eye-Caring Table Lamp, 10 Brightness Levels with 5 Lighting Modes, LED Desk Light, Dimmable Office Lamp with Touch-Sensitive Control, 12W Reading Lamp, White	1	0.00%	2	0.00%	95%	0	0	0.00%	0.00%	£0.00	£0.00	0	0
B089K03883	B089K2H833	KLARFIT High Waist Yoga Pants with Pockets, Racer Back and Non See Through Yoga Leggings, Ideal Gym Workout Pants for	2	0.00%	2	0.00%	100%	0	0	0.00%	0.00%	£0.00	£0.00	0	0

The red rectangular shape at the top of the page indicates that the report relates to sales made between 22 January 2019 and 22 January 2021. There is only one item highlighted in red from the list of the products, namely a JUKSTG umbrella (the other items listed being a wireless mouse, desk lamps and earphones) which shows the following values:

	Ordered Product Sales	Ordered Product Sales - B2B	Total Order Items	Total Order Items - B2B
	£98,698.82	£3,151.66	14,444	269
	£192,743.65	£2,565.52	23,791	151
	£228,055.57	£1,620.41	16,627	105

I take this evidence as suggesting that between 22 January 2019 to 22 January 2021 the total value of the sale price of JUKSTG umbrellas was £228,055.51 and the total number of items sold was 16,627. I confess that it is not clear to me what the other values represent, i.e. ordered product sales -B2B £1,620.41 and total order items-B2B 105.

Unfortunately, the same criticism I made above applies here, as it is not clear what proportion of the sales relate to the period prior to the relevant date of 6 March 2020.

21. In the end, I am left with the evidence of four sales of JUKSTAG umbrellas, one made in 2016 and three made in 2018 (which is four years and two years before the relevant date respectively). Whilst there is also evidence which suggests that around 16 thousand umbrellas were sold in the period between 22 January 2019 and 22 January 2021, it is not clear what proportion of that total relates to goods sold prior to the relevant date. Further, the applicant has not provided any turnover figures or marketing spend to substantiate its claim of goodwill and I am not satisfied that the sales shown are sufficient to establish that the applicant has built a more than trivial goodwill in the sign JUKSTAG by the relevant date.

22. The burden of proof was on the applicant to produce evidence to establish that it had the necessary goodwill at the relevant date to sustain its claim for passing off. It did not do so, and I am not prepared to guess for it.

23. The applicant's claim under Section 5(4)(a) is rejected.

## **OUTCOME**

24. The invalidity action has failed. The contested mark will remain on the register.

## **COSTS**

25. The proprietor has been successful and is entitled to a contribution towards its costs. In the circumstances, I award the proprietor the sum of £300 as a contribution towards the cost of preparing and filing a counterstatement. In awarding this sum, I bear in mind that the proprietor has filed nothing beyond the counterstatement and has not commented on the applicant's evidence.

26. I therefore order Shenzhen Haichuangzhongxiang International Commerce Co., Ltd. to pay Li ChunPeng, the sum of £300. The above sum should be paid within

twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

**Dated this 12<sup>th</sup> day of July 2022**

**Teresa Perks  
For the Registrar**