O/0367/23

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 3696522 BY JOHANNA ELF

TO REGISTER:

Cult Botanic

AS A TRADE MARK IN CLASSES 3, 4, 5, 9, 16, 35, 41, 44 & 45

AND

IN THE MATTER OF THE OPPOSITION THERETO

UNDER NO. 433406 BY

CULT BEAUTY LIMITED

BACKGROUND AND PLEADINGS

- 1. Ms Johanna Elf ("the applicant") applied to register **Cult Botanic** as a trade mark in the United Kingdom on 17 September 2021. The application was accepted and published on 11 February 2022 in respect of goods and services in Classes 3, 4, 5, 9, 16, 35, 41, 44 and 45.
- 2. On 11 May 2022, the application was partially opposed by Cult Beauty Limited ("the opponent"). The opposition is based on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act") and concerns the following goods and services in the application:

Class 3

Herbal skin and haircare preparations; Natural oils, salves, balms, serums, tonics and ointments used for cosmetic purposes; Skin and haircare preparations; Skincare preparations (non-medicated); Herbal oils, salves, balms, serums, tonics and ointments (non-medicated); Skin firming preparations (non-medicated); Natural lip care preparations; Hair treatment preparations; Hair care preparations (non-medicated); Natural haircare preparations; Natural hair wash preparations; Natural bath and shower preparations; Herbal preparations for cleansing purposes (non-medicated); Pumice stones for use on the body; Natural herbal make-up removing preparations; Herbal preparations for exfoliating purposes; Natural preparations for exfoliating purposes; Natural nail care preparations; herbal anti-ageing skin care preparations (nonmedicated); Natural preparations for cellulite reduction; Herbal toning preparations, for the face, body and hands; Skincare preparations containing essential oils; Skincare preparations containing botanical extracts; Skincare preparations containing herbal extracts; herbal bath salts; Natural bath salts; Non-medicated body soaks; bath herbs; Facial hair preparations for men; Natural beard oil; Beard oil; Wax (Moustache); Hair wax; Pomade; Herbal shaving preparations; Shaving oils; After-shave balms; Natural sun care preparations; Herbal after sun care preparations; Natural massage oils for face and body (non-medicated); Herbal perfume oils; Natural perfume and perfumery products; Herbal extracts for cosmetic purposes; Extracts of flowers [perfumes]; Perfume; Perfume oils; Natural oils for perfumes; Oils for perfumes and scents; Perfumed potpourris; potpourri; aromatic potpourris; herbal potpourris; scents; Natural room perfumes in spray form; Room mist; Room spray; essential oil blends for laundry purposes; essential oil blends for cleaning purposes; floral water; incense; Incense

spray; Incense cones; Incense sticks; loose incense; Essential oils; Scented oils; natural essential oils; essential oils blends for diffusers; aromatherapy preparations; aromatherapy oil; pillows comprising potpourri in fabric containers; potpourri sachets for incorporating in aromatherapy pillows.

Class 5

Natural remedies; Herbal medicine; Herbal compounds for medical use; Herbal preparations for medical use; Medicinal herbs in dried or preserved form; Herbal supplements; Liquid herbal supplements; Herbal sprays for medical use; Herbs (Medicinal -); Extracts of medicinal herbs; Herbs for medicinal purposes; Herbs (Smoking -) for medical purposes; Herbal beverages for medicinal use; Herbal tea for medicinal use; Herbal teas for medicinal purposes; Tinctures for medicinal purposes; Herbal tinctures (extracts in alcohol, water, glycerine, vinegar or honey); Herbal tinctures for pets (medicinal); Herbal food supplements; Herbal dietary food supplements; Antioxidant food supplements; Probiotic preparations for medical use to help maintain a natural balance of flora in the digestive system; Medicinal infusions; Medicinal herbal infusions; Dietetic infusions for medical use; Herbal elixirs; Elixirs [pharmaceutical preparations] Elixirs for eczema; Elixirs for relieving colds; Elixirs for preventing colds; Elixirs for calming the skin; Elixirs for preventing throat infections; Elixirs for psoriasis; Medicine tonics; Tonics [medicines]; Skin tonics [medicated]; Herbal tonics for medicinal use; Herbal skincare preparations (medicated); Herbal skincare preparations (therapeutic); Herbal oils, salves, lotions, creams, balms, serums, gels, tonics and ointments (medicated); Herbal aroma preparations (therapeutic); Herbal nail care preparations; Herbal haircare preparations (medicated); Medicated shampoo; Medicated shampoos; Herbal skincare for animals (medicinal); Natural herbal pain relief medication for animals. Medical ointments: Sunburn ointments: Anti-itch ointments: Antiinflammatory ointments; Antiseptic ointments; Homeopathic anti-inflammatory ointments; Medicated ointments for treating dermatological conditions; Medicated ointments for application to the skin; Ointments for treating nappy rash; Medicated lip balm; Medicated balms; Foot balms (Medicated -); personal lubricants; Serums; Salves [medicated]; Anti-inflammatory salves; Multi-purpose medicated mentholated salves; Face cream (Medicated -); Body creams [medicated]; Medicated face lotions; Medicated skin lotions; Medicated skin creams; Skin care lotions [medicated]; Medicated body powder; Antibacterial gels; Medicated body gels; Anti-inflammatory gels; Sexual stimulant gels; Gels for dermatological use; Aloe vera gel for therapeutic purposes; Vaginal washes; Vaginal lubricants; Vaginal moisturisers; Vaginal washes for medical purposes; Herbal male enhancement capsules; Face scrubs (Medicated -); Oils

(Medicinal -); Herbal mud packs for therapeutic use; Natural clay for therapeutic purposes; Deodorising room sprays; Disinfectant soap; Anti-bacterial face washes (Medicated -); Antibacterial wipes; Toilet deodorants; Deodorants for upholstery; Mineral salts for baths; Bath salts for medical purposes; Medicated foot bath preparations; Herbal foot bath preparations; herbal hand bath preparations; herbal bath preparations; Salts for mineral water baths; Insect repellent incense; Bandages for skin wounds; Natural pain relief preparations; Pain relief medication; Natural muscle relaxants.

Class 35

Organisation of events, exhibitions, fairs and shows for commercial, promotional and advertising purposes; the bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods by means of a retail store, by catalogue, by mail order, via an Internet website, by online or by ecommerce means or by any other telecommunications means including via the Internet, all specialising in the marketing of general merchandising goods; management of a business retail enterprise for others; advisory, information and project management and consultancy services in relation to all the aforesaid services.

3. Under section 5(2)(b), the opponent is relying on the following UK trade marks (UKTMs):

Mark	Goods and Services Relied On
UKTM 910304715 ("the 715 mark")	<u>Class 35</u>
	Retail services connected with the sale of toiletries
CULT BEAUTY	and cosmetics, candles and incense, hand tools
	and implements, razors, goods of precious metals
Filing date: 30 September 2011	and their alloys, household and kitchen utensils
Registration date: 14 November 2013	and containers, combs and sponges, brushes.
UKTM No. 3032733 ("the 733 mark")	Class 3
	Perfume; eau de parfum, eau de toilette;
CULT BEAUTY	cosmetics; skin care products, namely skin
	conditioners, skin lotions, skin cream and skin
Filing date: 30 September 2011	moisturisers; essential oils for personal use;
Registration date: 4 April 2014	beauty masks; cold cream, hand cream, night
	cream; body powder; soaps, namely skin soaps
	and liquid hand soaps; body scrubs; shower and

Mark	Goods and Services Relied On		
	bath washes, oils, gels and lotions; shampoos,		
	conditioners, hair care products, hair spray, hair		
	styling products, hair dyes and colorants, hair		
	fragrancing products; cosmetics; skin care		
	products; perfumes; toilet waters; non-medicated		
	toilet preparations; cosmetics; soaps; essential		
	oils; hair lotions, preparations for the hair;		
	depilatory preparations; non-medicated cleaning		
	preparations for personal hygiene purposes; anti-		
	perspirants; dentifrices; pot pourri; preparations for		
	the bath.		
UKTM No. 3461023 ("the 023 mark")	Class 3		
	Perfume; eau de parfum, eau de toilette;		
CULT CONCIERGE	cosmetics; skin care products, namely skin		
	conditioners, skin lotions, skin cream and skin		
Filing date: 24 January 2020	moisturisers; essential oils for personal use;		

Registration date: 8 August 2020

cosmetics; skin care products, namely skin conditioners, skin lotions, skin cream and skin moisturisers; essential oils for personal use; beauty masks; cold cream, hand cream, night cream; body powder; soaps, namely skin soaps and liquid hand soaps; body scrubs; shower and bath washes, oils, gels and lotions; shampoos, conditioners, hair care products, hair spray, hair styling products, hair dyes and colorants, hair fragrancing products; cosmetics; skin care products; perfumes; toilet waters; non-medicated toilet preparations; cosmetics; soaps; essential oils; hair lotions, preparations for the hair; depilatory preparations; non-medicated cleaning preparations for personal hygiene purposes; antiperspirants; dentifrices; pot pourri; preparations for the bath.

Class 5

Dietary supplements; nutritional supplements; homeopathic supplements; mineral supplements; probiotic supplements; vitamins and minerals;

Mark	Goods and Services Relied On

herbs for medicinal purposes; all of the aforementioned goods also in tablet, capsule, powder or liquid form.

Class 35

Retail services connected with the sale of toiletries and cosmetics, makeup, candles and incense, hand tools and implements, cutleries and razors, goods of precious metal and their allows, photo frames, napkin rings and cutlery, jewellery and precious stones, horological and chronometric instruments, writing paper, photographs, stationery, goods of leather and imitation leather, trunks and travelling bags, umbrellas, furniture, mirrors and picture frames, household and kitchen utensils and containers, combs and sponges, brushes, goods of unworked or semi-worked glass, glassware, porcelain and earthenware, crockery, textiles and textile goods, bed and table ware, cushions, curtains and rugs, clothing, footwear, headgear, carpets, rugs, mats and matting, wall hangings, plated therewith, jewellery and imitation jewellery, horological chronometric instruments, parts and fittings for all the aforesaid; precious stones, statues, cufflinks, tie pins, cigar and cigarette boxes; the bringing together for the benefit of others of a variety of toys, games (other than ordinary playing cards), playthings, golf bags, Christmas crackers and decorations (other than candles or lamps) for Christmas trees, ankle and wrist weights for sports equipment, balls for sports, barbells, exercise balls, exercise bars, exercise equipment, exercise weights, leg weights, personal exercise mats, portable ski carriers, running gloves, shin guards

Mark	Goods and Services Relied On		
	for athletic use, shoulder pads for athletic use,		
	stretch bands used for yoga and physical fitness		
	purposes, treadmills, trolley bags specially		
	adapted for sports equipment, weight lifting belts,		
	weight lifting gloves, work-out gloves, wrist guards		
	for athletic use, yoga mats, enabling customers to		
	conveniently view and purchase those goods in a		
	department store; consultancy services relating to		
	the acquisition of goods and services; the bringing		
	together for the benefit of others of a variety of		
	clothing, scarves, shawls, footwear, boots, shoes,		
	slippers, sandals, headgear, headbands,		
	armbands, belts, ties, clothing, footwear and		
	headgear, enabling customers to conveniently		
	view and purchase those goods from a general		
	merchandise Internet website.		
UKTM No. 918187779 ("the 779	As above		
mark")			
CULT CONCIERGE			
Filing date: 24 January 2020			
Registration date: 17 June 2020			

- 4. These marks all qualify as earlier marks under section 6(1) of the Act.
- 5. The opponent claims that the contested goods and services are identical, highly similar and similar to the earlier goods and services and the marks are highly similar, with the dominant and distinctive element of them all being "CULT". It also asserts that the earlier marks enjoy an enhanced level of distinctive character, as a result of the use that has been made of them. Consequently, it claims that the average consumer is likely to consider that the contested mark is a further brand of the opponent, or that it originates from an undertaking economically connected to the opponent, and so there is a likelihood of confusion.

6. Under section 5(3), the opponent is relying on the two CULT BEAUTY marks, for which it claims a reputation in connection with, but not limited to, cosmetics, toiletries and the retail of those goods. The similarity between the marks and the identity and high similarity between the goods and services would, according to the opponent, lead the relevant public to establish a link between the marks. It claims that use of the contested marks would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or reputation of the earlier mark.

7. Under section 5(4)(a), the opponent claims to have used the signs **CULT** and **CULT BEAUTY** throughout the UK since 2007 for the following goods and services:

Makeup; cosmetics; skin care products, including skin conditioners, skin lotions, skin cream and skin moisturisers; perfume; eau de parfum, eau de toilette; essential oils for personal use; beauty masks; cold cream, hand cream, night cream; body powder; soaps, namely skin soaps and liquid hand soaps; body scrubs; shower and bath washes, oils, gels and lotions; shampoos, conditioners, hair care products, hair spray, hair styling products, hair dyes and colorants, hair fragrancing products; skin care products; perfumes; toilet waters; non-medicated toilet preparations; soaps; essential oils; hair lotions, preparations for the hair; depilatory preparations; toilet articles; non-medicated cleansing preparations for personal hygiene purposes; anti-perspirants; dentifrices; pot pourri; preparations for the bath; beauty balm creams; beauty care cosmetics; beauty care preparations; beauty creams; beauty creams for body care; beauty lotions; beauty masks; beauty preparations for the hair; beauty serums; beauty serums with anti-ageing properties; cosmetic bath salts; cosmetic body scrubs; cosmetic creams; cosmetic creams and lotions; cosmetic creams for dry skin; cosmetic creams for firming skin around eyes; cosmetic creams for skin care; cosmetic moisturisers; imitation eyelashes; chemical solutions; peels; vitamin products; vitamin drinks; supplements; dietary supplements; nutritional supplements; homeopathic supplements; mineral supplements; probiotic supplements; vitamins and minerals; herbs for medicinal purposes; candles; hand tools; hand tools for removing hardened skin; hand tools for use in beauty care; rollers; hand tools for the application of cosmetics; brushes; wipes; cotton pads; bamboo pads; manicure and pedicure sets (sold complete); nail files, nail clippers, fingernail polishers; hair clippers, razors (non-electric); clothing; headbands; face masks; penknives; razors; shavers; scissors; tote bags; cosmetic bags; vanity cases; toiletry bags, vanity bags, wash bags, articles of luggage, toiletry bags, bath bags, make up bags, make up boxes, pouches for holding make up, cosmetic purses; sets, boxes,

selection packs and kits including any of the aforesaid goods; beauty boxes; retail services; retail of the aforesaid goods.

8. The opponent claims to have acquired goodwill under the signs. According to the opponent, use of the contested marks would constitute a misrepresentation to the public that would damage the goodwill in its business. Consequently, use of the contested marks would be contrary to the law of passing off.

9. The applicant filed a defence and counterstatement. It accepts that the goods of the opponent and the applicant are similar but denies the other claims made and puts the opponent to proof of use of the CULT BEAUTY marks. She states that she began operations in 2019 and has acquired substantial goodwill in the contested mark, "which has been recognised in the UK press and internationally on line." In addition, she claims to be well known within the Wicca community and that the focus of her brand is veneration, while that of the opponent's is fashion.

10. She notes that she had previously applied to register "CULT BOTANICS" as a trade mark and adds that:

"The owner of the trade mark 'Botanics' opposed the application requesting that the application was withdrawn and replaced with the Applicant's Mark on the basis that 'Botanic' was not descriptive."²

11. She submits that the "BOTANIC" element in the contested mark is distinctive. She also states that the opponent has been aware of the sale of goods within the specification since 2020 and has made no attempt to prevent her from trading under the contested mark.

EVIDENCE & SUBMISSIONS

12. The opponent's evidence comes from John Gallemore, Director of Cult Beauty Limited. He had been in this position for over a year at the date of the witness

¹ Counterstatement, paragraph 2.16.

² *Ibid*, paragraph 2.8.

statement, which is 20 September 2022. The witness statement is accompanied by nine exhibits which are adduced to show the use that has been made of the CULT BEAUTY marks, their reputation and the claimed goodwill.

- 13. The opponent also filed written submissions in lieu of a hearing on 26 January 2023.
- 14. The applicant did not file any evidence or written submissions.
- 15. I have read all the evidence and submissions and shall refer to them where relevant during the course of my decision.

REPRESENTATION

16. In these proceedings, the opponent is represented by HGF Limited and the applicant by McCarthy Denning Limited.

DECISION

Proof of Use

- 17. As the CULT CONCIERGE marks were registered within the five years before the date on which the application for the contested mark was made, they are not subject to proof of use and the opponent is therefore entitled to rely on all the goods and services for which these marks stand registered. The CULT BEAUTY marks, on the other hand, were registered more than five years before the application date and the applicant has requested that the opponent prove that it has used them for all the goods and services relied upon.
- 18. Section 6A of the Act is as follows:
 - "(1) This section applies where-
 - (a) an application for registration of a trade mark has been published,

- (b) there is an earlier trade mark of a kind falling within section 6(1)(a),(aa) or (ba) in relation to which the conditions set out in sections 5(1),(2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.
- (1A) In this section 'the relevant period' means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.
- (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.
- (3) The use conditions are met if-
 - (a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
 - (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes-

(a) use of a trade mark includes use in a form (the 'variant form') differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

[(5) Repealed]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

..."

- 19. As one of the CULT BEAUTY marks is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It is as follows:
 - "(1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.
 - (2) Where the relevant period referred to in section 6A(3)(a) (the 'five-year period') has expired before IP completion day-
 - (a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and
 - (b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.
 - (3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day-
 - (a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and
 - (b) the references in section 6A to the United Kingdom include the European Union."

20. Section 100 of the Act is also relevant. It provides that:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

21. The case law on genuine use was summarised by Arnold J (as he then was) in Walton International Limited v Verweij Fashion BV [2018] EWHC 1608 (Ch):³

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

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

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

³ 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 Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts, although the UK has left the EU.

- (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].
- (3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].
- (4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].
- (5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

- (6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].
- (7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].
- (8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].

The opponent's evidence

22. Cult Beauty was launched in 2008 as an online retailer offering what Mr Gallemore describes as *"a carefully selected range of tried and effective beauty products"*. The following table shows revenue from UK and global sales since 2016:5

Year	Rev	venue .
	UK	Global
2020	£57,937,032.87	£124,019,894.36
2019	£43,179,767.21	£105,502,693.40
2018	£34,622,319.76	£80,268,106.01
2017	£28,334,361.41	£55,741,770.33
2016	£15,415,545.06	£23,757,628.78

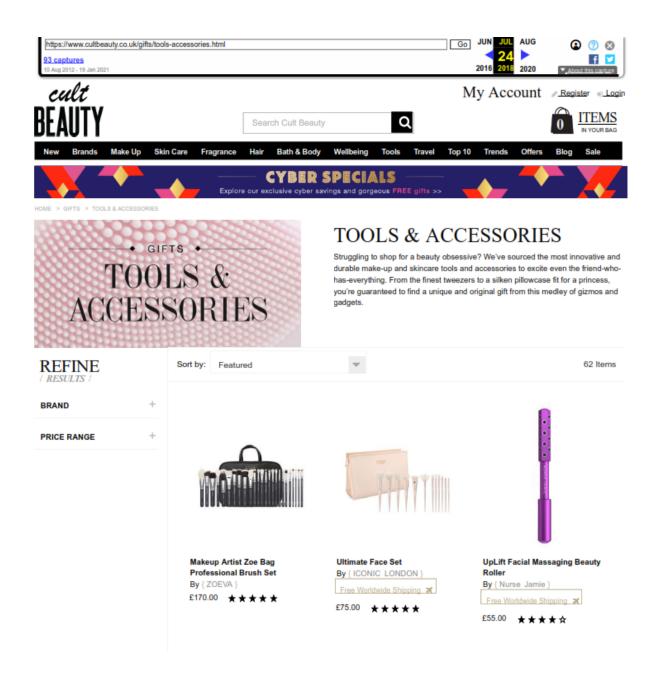
23. The evidence contains a large number of website screenshots that show a selection of cosmetic and toiletry products and tools and accessories from a large number of different producers. A series of printouts in Exhibit 2, dating from 14 June 2017 to 7 July 2019 show lists of all the brands offered for sale. The last of these, for example, shows over 230 different brands.

24. Exhibits 3 and 4 contain 85 and 86 pages of website screenshots adduced to indicate the range of products that are retailed. These date from 25 August 2015 to 22 April 2021 and the products offered for sale during the five years prior to the date of the contested application include hair treatments, hair masques, shampoo, conditioner, hair spray, body cream, hand balm, body oil, lip ointment, bath products, body exfoliants, skincare, body lotion, serums, tanning preparations and sunscreen, make-up, candles and room fragrance, make-up mirrors, bamboo cotton pads, vanity bags, make-up bags, massaging beauty rollers, body brushes, cosmetic brushes, blending sponges, eyelash curlers, cosmetic pencil sharpeners, tweezers, razors, hair brushes and combs, hair straighteners, and water bottles. On these screenshots, the CULT BEAUTY mark is consistently presented in the form shown below, which dates

⁴ Witness statement, paragraph 3.

⁵ Witness statement, paragraph 10.

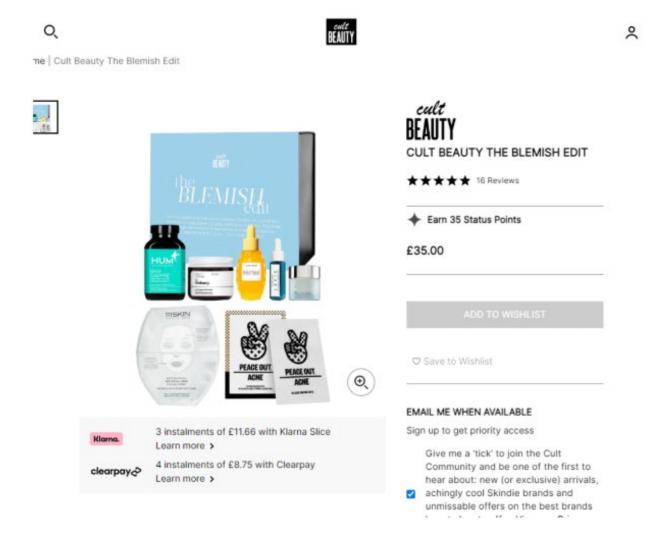
from 24 July 2018. The name of the undertaking responsible for the products themselves is shown in brackets underneath the description of the goods:⁶



25. Mr Gallemore states that, as well as retailing the products of third parties, the opponent also sells own-brand products under the CULT BEAUTY mark. He gives the following as an example of goods "produced by, or under the responsibility of, Cult Beauty":⁷

⁶ Exhibit 3, page 64.

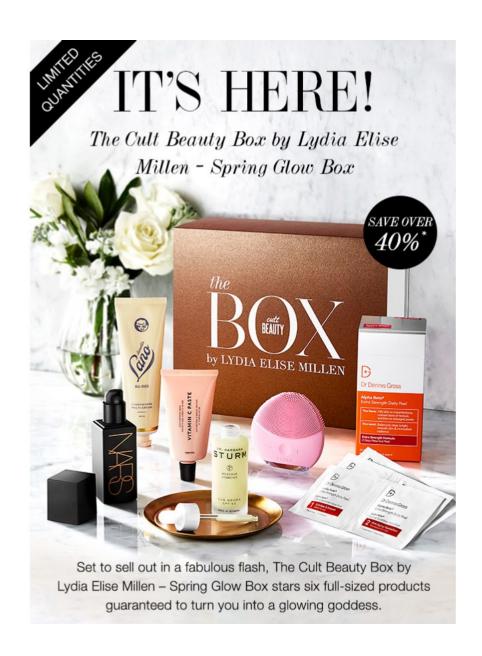
⁷ Witness statement, paragraph 8.



26. This is a selection of products produced by other undertakings that are brought together and sold under the opponent's CULT BEAUTY mark. The branding of the selected products is more easily seen in the following image taken from a marketing email dated 20 February 2019:8

[Remainder of page intentionally blank]

⁸ Exhibit 7, page 2.



27. Such marketing emails are one way that the opponent uses to promote its business and Mr Gallemore says that often multiple emails are sent in a week.⁹ Social media channels are also heavily used. Exhibit 6 includes printouts from the opponent's social media channels and tables showing the number of followers for the Instagram, Facebook, Twitter and YouTube accounts at the end of each month from June 2015 to July 2020. These final figures were 1.285 million, 271,367, 61,747 and 12,600 respectively. It is not clear what proportion of these followers were based in either the UK or the EU. Monthly visits from the UK to the opponent's websites ranged from 1.275 million in September 2016 to a high of 8.139 million in May 2020. Prior to April 2020, the previous high point was over 3.5 million in both November and December 2018.

⁹ Witness statement, paragraph 15.

28. In addition, the opponent has relationships with a number of social media influencers who promote the CULT BEAUTY mark in video blogs. Mr Gallemore provides information about the numbers of people subscribing to, or following, these accounts and the numbers of views that some of their videos have received in paragraph 16 of his witness statement. For example, one influencer, Ms JL, had 1.8 million YouTube subscribers as at March 2020 and 500k followers on Instagram as at September 2020. A video she uploaded to YouTube in June 2018 that highlighted a brand sold by the opponent had over 490k views as at 17 September 2020. However, it is not clear what proportion of subscribers, followers or viewers were in the UK or the EU.

29. Exhibit 9 contains thirteen articles from publications such as *Vogue UK, Elle, Allure, The Daily Telegraph, The Times, The Sunday Times* and *City AM* with dates ranging from 7 July 2008 to 24 February 2020. The articles are a mix of stories about beauty products and retailing and business news, and describe the opponent as an online beauty store.

30. Mr Gallemore lists the following awards that have been won by the opponent: *Sunday Times* Best Beauty Website of 2010; website of the year in the "Retail" category of *The Good Web Guide* Awards 2012; E-Tailer of the Year 2018 at the WWD Beauty Awards; Runner-up in the "Best beauty retailer and etailer" at the *Sunday Times* Style Beauty Awards 2019; Best Influencer Marketing Campaign in the 2020 Performance Marketing Awards; Award for Excellence in International Ecommerce at the *Sunday Times* Virgin Atlantic Fast Track 100 awards. The opponent has also featured highly in several *Sunday Times* business rankings in 2017 and 2019 as a result of its sales performance.¹¹

Assessment of the evidence of use

31. The relevant period for the assessment of use is the five years ending with the date of application for the contested mark, i.e. 18 September 2016 to 17 September 2021.

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¹⁰ Exhibit 8, pages 1-3.

¹¹ Paragraph 18 and Exhibit 9.

32. The relevant territory for the 733 mark is the UK, but as the 715 mark is a comparable mark the relevant territory is the EU for the period up to IP Completion Day (31 December 2020) and the UK for the period thereafter. In *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the Court of Justice of the European Union ("CJEU") said that:

"36. It should, however, be observed that ... the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase 'in the Community' is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.

. . .

50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as 'genuine use', it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national mark.

. . .

55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what

territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77)."

33. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited* [2016] EWHC 52, Arnold J (as he then was) reviewed the case law since *Leno* and concluded as follows:

"228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issue in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument is not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant

was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that 'genuine use in the Community will in general require use in more than one Member State' but 'an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State'. On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use."

34. The General Court ("GC") restated its interpretation of *Leno* in *TVR Automotive Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM),* Case T-398/13.¹² This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods or services being limited to that area of the Union.

35. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient

¹² See paragraph 57.

to create or maintain a market for the goods and services at issue in the Union during the relevant 5-year period. In making this assessment, I am required to consider all relevant factors, including

- i) The scale and frequency of the use shown;
- ii) The nature of the use shown:
- iii) The goods and services for which use has been shown;
- iv) The nature of those goods and services and the market(s) for them; and
- v) The geographical extent of the use shown.

36. I shall begin by considering the 715 mark which is registered for retail services in Class 35. In *Praktiker Bau- und Heimwerkermärkte AG*, Case C-418/02, the CJEU held that retail services included

"... in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction. That activity consists, inter alia, in selecting an assortment of goods offered for sale and in offering a variety of services aimed at inducing the consumer to conclude the abovementioned transaction with the trader in question rather than with a competitor." 13

37. The turnover figures provided by the opponent do not allow me to ascertain the levels of sales achieved by each individual product listed in paragraph 24 above. However, I must consider the evidence as a whole: see *New Yorker SKH Jeans GmbH & Co KG v OHIM*, Case T-415/09, paragraph 53. I may also make reasonable inferences, as Mr Daniel Alexander QC, sitting as the Appointed Person, said in *SIMPLEX Trade Mark*, BL O/329/20:

"It is important in cases of this kind not to confuse the requirement that a proprietor of a mark must prove use with sufficiently solid evidence with an obligation to prove use beyond reasonable doubt. Moreover, in cases of this kind, reasonable inferences based on rational commercial logic are

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¹³ Paragraph 34.

legitimate. That is particularly so where there is (a) no attempt to counter the proprietor's evidence by cross-examination or by contrary evidence showing that what has been said in the proprietor's evidence is implausible or that reasonable inferences from it are unwarranted and/or (b) no alternative explanation is put forward as to what the trade mark proprietor is likely to have done other than using the mark in the manner alleged."¹⁴

38. I am satisfied that the evidence shows that the opponent used the 715 mark in the following form for retailing a variety of cosmetics and toiletries to customers in the UK:



39. The 715 mark is a word mark. As such, it may be used in any form, colour or typeface: see *LA Superquimica v European Union Intellectual Property Office (EUIPO)*, Case T-24/17, paragraph 39. I acknowledge that in the presentation shown above the second word, "BEAUTY", is significantly larger than the first, "CULT". However, to my mind, this does not alter the distinctive character of the mark, as "BEAUTY" is descriptive of the purpose of the goods which are the subject of the retailed services. Consequently, I find that this is an acceptable use of the mark as registered.

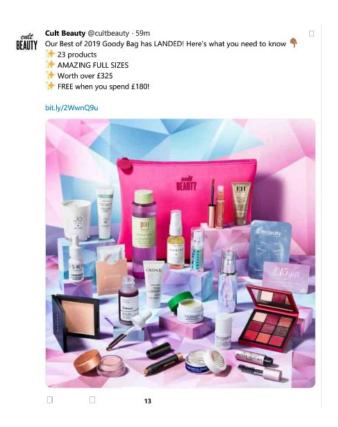
40. The evidence shows that the focus of the business is as a retailer of beauty products, so it is likely that these will account for a significant proportion of the sales. Keeping in mind the case law quoted in paragraphs 32-34 above, I consider that the level of turnover in the UK is sufficient to create and maintain a market within the EU until IP Completion Day and within the UK thereafter for retail services connected with the cosmetics and toiletries shown in the evidence.

41. The mark also covers retail sales of goods that do not fall within the core of the meaning of "cosmetics and toiletries". There are numerous screenshots of cosmetic

¹⁴ Paragraph 36.

implements and accessories being offered for sale on the opponent's website. These include razors, brushes, blending sponges, tweezers and massage rollers. ¹⁵ I am also satisfied that the scale of use is sufficient to create and maintain a market for retail services connected with these goods.

42. Within the relevant period, there are also two screenshots of home fragrances, dated 25 October 2018 and 9 July 2019, which show a range of candles being offered. They also contain images and references to sprays and diffusers, but I cannot see anything that could be described as the "incense" of the opponent's specification. Some of the images of the products have not been reproduced in the exhibits and so I have made my assessment of these goods based on the written description. The evidence shows that the opponent was selecting a range of candles from different manufacturers and offering them for sale. It also promoted a particular candle as one of its best products of 2019 in a bag which it is reasonable to infer was offered to encourage future sales of those goods and induce the customer to buy them from the opponent. To



¹⁵ See, for example, Exhibit 3, pages 47-48, 55-56, 72-73, 81-82, and Exhibit 4, pages 1, 34-35, 82-86.

¹⁶ Exhibit 4, pages 9-21.17 Exhibit 6, page 2.

43. I accept that the evidence in this respect is limited. However, I also recognise that there is no *de minimis* level of use and that, as the opponent is an internet-based business, the retail services were offered at least throughout the UK. On the basis of the evidence, I find that the opponent made sufficient use of the mark to create and maintain a market in the EU for retail services connected with the sale of candles.

44. Mr Gallemore submits that use in connection with *Retail services connected with the sale of ... household and kitchen utensils and containers* is shown by the screenshots dated 15 August 2018 and 6 February 2019 of pages headed "Water Bottles". The first of these contains two products and the second contains one. He also directs my attention to a screenshot dated 17 May 2018 headed "Make Up" in Exhibit 3, on which "Water Bottles" is shown as a category of products for sale. There is no further evidence of use in connection with retail services connected with water bottles. I have no information on the size of this market, but I consider it likely that these are goods that can be purchased from a wide range of retailers. The number of bottles that have been selected and put on sale is significantly lower than the number of candles. I also see no evidence of any promotional activity in association with water bottles. I find that the evidence here falls short of what would be required to prove sufficient use of the mark to create and maintain a market in the EU for retail services connected with the sale of water bottles.

45. Mr Gallemore makes no comment on whether the evidence shows use in relation to *Retail services connected with the sale of ... goods of precious metals and their alloys*. Exhibit 3 contains a screenshot from the opponent's website dated 25 August 2019 that shows a product described as "24k Gold Ear Seeds", which I infer are made from 24-carat gold.²⁰ However, in the case of goods such as the "Rose Gold Sensor Mirror" offered for sale on a screenshot dated 24 July 2018, it is not clear whether "gold" here refers to a material or a colour.²¹ I consider that the evidence does not show that the mark has been used to create or maintain a market in the EU for these services.

¹⁸ Exhibit 4, pages 36-37.

¹⁹ Page 55.

²⁰ Page 85.

²¹ Page 70.

46. I turn now to the 733 mark, which is registered for goods in Class 3. The only use of the mark in the context of Class 3 goods is in relation to the boxes, examples of which can be found in paragraphs 25 and 26 above. In my view, these are collections of products from third parties. A trade mark is a badge of origin that indicates the source of the goods (or services) for which it is used. That source is responsible for the quality of those goods (or services). If the purchaser has a problem with the quality of any of the products in the boxes, it is not the opponent that is responsible, but the manufacturer of the particular product. Therefore, in my view, the opponent has not shown that it has used the mark for Class 3 goods, as opposed to the retail services associated with such goods.

Fair specification

47. I now consider what services the opponent may rely on under the 715 mark. In *Euro Gida Sanayi ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, summed up the law as follows:

"In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."²²

48. In *Property Renaissance t/a Titanic Spa v Stanley Dock Hotel Ltd t/a Titanic Hotel Liverpool & Ors* [2016] EWHC 3103 (Ch), Carr J summed up the law relating to partial revocation as follows:

"iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas*

²² Pages 10-11.

Pink Ltd v Victoria's Secret UK Ltd [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (*Extreme Trade Mark*) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."²³

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²³ Paragraph 47.

49. I consider that a fair specification would include the terms *Retail services* connected with the sale of toiletries and cosmetics, candles, razors. There is, in my view, a sufficiently wide variety of different types of toiletries and cosmetics shown for sale on the opponent's website that this would be a fair term, in the light of the case law I have cited.

50. I must now deal with the term *Retail services connected with the sale of ... hand tools and implements*. This is a very broad term and would include retail services connected with the sale of items that are far from the opponent's business, such as tools for use in DIY or gardening. Therefore, I consider that it would be appropriate to limit the term to tools that are used for cosmetic purposes, and that this should also be applied to the combs, sponges and brushes.

51. The opponent may therefore rely on the following services under the 715 mark:

Class 35

Retail services connected with the sale of toiletries and cosmetics, candles, razors; Retail services connected with the sale of hand tools and implements, combs, sponges and brushes, all the aforesaid being for cosmetic use.

52. The opponent may not rely on the 733 mark, as I have found that it has not proved to have made genuine use of it.

Section 5(2)

53. Section 5(2) of the Act is as follows:

"A trade mark shall not be registered if because -

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(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."

- 54. In considering the opposition under this section, I am guided by the following principles, gleaned from the decisions of the CJEU 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 BV (Case C-342/97), Marca Mode CV v Adidas AG & Adidas Benelux BV (Case C-425/98), Matratzen Concord GmbH v OHIM (Case C-3/03), Medion AG v Thomson Multimedia Sales Germany & Austria GmbH (Case C-120/04), Shaker di L. Laudato & C. Sas v OHIM (Case C-334/05 P) and Bimbo SA v OHIM (Case C-519/12 P):
 - 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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their mind, and whose attention varies according to the category of goods or services in question;
 - c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
 - d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other

components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

- e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- g) a lesser degree of similarity between the goods or services may be offset by a 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 the earlier mark to mind, is not sufficient;
- j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; and
- 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 marks

55. It is clear from *SABEL* (particularly paragraph 23) that the average consumer normally perceives a 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 in *Bimbo* that:

"... it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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."²⁴

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

57. The respective marks are shown below:

Earlier marks	Contested mark
The 715 mark:	
	Cult Botanic
CULT BEAUTY	
The 023 and 779 marks:	
CULT CONCIERGE	

58. All the marks at issue are word marks. Earlier in my decision, I noted that such marks protect the words, irrespective of typeface, colour or capitalisation. The contested mark is comprised of two words "Cult" and "Botanic". The applicant submits that "Botanic" is distinctive:

"2.7 ... the Opponent claims that 'Botanic' is a descriptive term. This is not the case, the term may be descriptive when used as 'Botanicas' or 'Botanicals', however, when used simply as 'Botanic' and capitalised it is understood to be a form of commercialisation e.g. 'Brands Botanic'.

²⁴ Paragraph 34.

2.8. It is noted that the original application by the Applicant was for the word mark 'Cult Botanics'. The owner of the trade mark 'Botanics' opposed the application requesting that the application was withdrawn and replaced with the Applicant's Mark on the basis that 'Botanic' was not descriptive."

59. The opponent denies that a distinction can be drawn between "botanic" and "botanical" and draws my attention to the entry in the Collins Online Dictionary which states that the two words have the same meaning.²⁵ It also quotes the definition of "botanical" in the Cambridge Online Dictionary: "involving or relating to plants or the study of plants".²⁶ Finally, it submits that the decision of a party to oppose or not to oppose an application to register a trade mark is "not a determinative indication of the distinctiveness/descriptiveness of a particular element".²⁷

60. I agree with the opponent that a decision to oppose or not to oppose an application has no relevance to my determination of the distinctiveness or descriptiveness of any element of the mark. I accept the definitions provided by the opponent, which accord with my understanding of the meaning of the words "botanic" and "botanical". In my view, the word would be seen as descriptive of the ingredients of the Class 3 and Class 5 goods. For these, I find that the dominant and distinctive element of the contested mark is "Cult".

61. The word "Botanic" is not descriptive of the Class 35 services in the applicant's specification, although it may allude to a quality that might be expected to be found in the goods that are the subject of the retail services or that are promoted or advertised through the events, exhibitions, fairs or shows. Therefore, the word "CULT" will make the greater contribution to the overall impression of the mark, with a lesser role played by "BOTANIC".

62. The earlier marks also consist of two words. In the 715 mark, those two words are "CULT" and "BEAUTY", the second of which is allusive to the purpose to which the

²⁵ Written submissions in lieu of a hearing, paragraph 27.

²⁶ *Ibid*, paragraph 28.

²⁷ *Ibid*, paragraph 29.

goods that are the subject of the retail services will be put. Therefore "CULT" is the dominant and distinctive element of the mark.

63. In the 023 and 779 marks, both "CULT" and "CONCIERGE" will make roughly equal contributions to the overall impression of the marks, as neither is descriptive of, nor allusive to, the goods and services covered.

Comparison with the 715 mark

64. The contested and the 715 marks begin identically. The first word is the same, and both second words begin with "B". The contested mark is one letter longer than the 715 mark. The applicant submits that it is the second element of the mark that is more significant, as this is where the eye finally rests. However, I recall that the average consumer tends to pay more attention to the beginning of marks: see *El Corte Inglés SA v OHIM*, Joined cases T-183/02 and T-184/02, paragraphs 81-83. I find that the marks are **visually** similar to a medium to high degree.

65. The contested mark has four syllables and will be pronounced "CULT-BO-TA-NIC". The 715 mark has three syllables and will be pronounced "CULT-BYOO-TEE". I find that the marks are **aurally** similar to a medium degree.

66. The opponent states that the word "CULT" is defined by The Cambridge Online Dictionary as "a religious group, often living together, whose beliefs are considered extreme or strange by many people" and "someone or something that has become very popular with a particular group of people". 28 However the average consumer interprets the word "CULT", I consider it reasonable to believe that it will hold the same meaning for them across both marks. Therefore, the point of conceptual difference lies in the second words, which have no connection to each other. I find that the marks are **conceptually** similar to a medium degree.

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²⁸ Written submissions in lieu of a hearing, paragraph 22.

Comparison with the 023 and 779 marks

- 67. The first words are also identical in these marks. The second word in the contested mark has 7 letters, and that in the earlier mark 9 letters, and their initial letters are different. I find that the marks are **visually** similar to a medium degree.
- 68. The contested mark has four syllables, as noted above. So does the earlier mark, which will be pronounced: "CULT-CON-SEE-ERZH". I find that the marks are **aurally** similar to a medium degree.
- 69. Neither party has provided a definition for the word "CONCIERGE", but I understand it to mean a person who works in a hotel and assists guests by making bookings for tables at restaurants, theatre tickets, and so on. As with the first comparison, the second word provides a point of difference and I find that the marks are **conceptually** similar to a medium degree.

Distinctive character of the earlier marks

70. In Lloyd Schuhfabrik Meyer, 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 Alternberger [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)."

71. Registered trade marks possess varying degrees of inherent distinctive character, from lower where a mark may be suggestive of, or allude to, a characteristic of the goods or services, ranging up to high for invented words which have no allusive qualities.

Distinctiveness of the 715 mark

72. It is the first word, "CULT", that I found to be the dominant and distinctive element of the mark. It has been seen that this is a word in the English dictionary which has no meaning in relation to the services which I considered to be a fair specification for this mark. Consequently, the inherent distinctiveness of the mark is at a medium level.

73. The opponent claims that the inherent distinctiveness of this mark has been enhanced through the use that has been made of it. While I have no evidence on the share of the market enjoyed by the mark, the opponent has generated significant turnover in the UK since 2016 as an online retailer of cosmetics and toiletries, with coverage in national newspapers and magazines. It has also won awards, which are listed in paragraph 30 above. I am satisfied that the distinctiveness of the earlier mark has been enhanced to a high degree through the use that has been made of it.

Distinctiveness of the 023 and the 779 marks

74. There is no evidence that these marks have been used and so I have only the inherent position to consider. The words that make up the marks are to be found in the dictionary and are neither descriptive nor allusive. I find that the distinctiveness of these marks is at a medium level.

75. As there is a greater degree of similarity between the contested mark and the 715 mark, and the latter mark has an enhanced degree of distinctiveness, I will continue my assessment of this ground on the basis of the 715 mark. In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis QC, sitting as the Appointed Person, explained the role that the distinctiveness of a mark can play in the assessment of the likelihood of confusion:

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

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

76. I shall come back to the 023 and the 779 marks if that proves necessary.

Comparison of goods and services

77. It is settled case law that I must make my comparison of the goods and services on the basis of all relevant factors. These may include the nature of the goods and services, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon*, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. Goods and services are complementary when

"... 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."²⁹

78. The applicant has not denied that there is any similarity between the goods and services. In its counterstatement, it says:

"2.13. Due to the substantial differences between the marks and the distinctive character of the Applicant's hand prepared goods, the average consumer is not likely to see any connection between the marks.

2.14. The Applicant does not contest that the goods of the Opponent and the Applicant are similar; they are both operating within the manufacture of goods in Classes 3 and 5 and the sale of such goods.

2.15. The Applicant does not accept that the relevant public is likely to believe that the goods produced by the Applicant and the goods produced by the Opponent will be seen as coming from the same undertaking or from an economically linked undertaking. There are substantial differences between the Marks and the relevant public will not confuse 'Cult Beauty' and 'Cult Concierge' with 'Cult Botanic', especially with the vast number of other unrelated 'Cult' brands in the marketplace."

79. I have quoted the two paragraphs surrounding the applicant's comments in 2.14 as I have taken them into account in interpreting the applicant's admission. First, I note that there are no comments at all on the subject of services. Parties are expected to state explicitly which of the matters in the claim are denied and which are admitted. It would be wrong for me to proceed on the basis that the similarity of the goods and services is in issue: see the decision of Mr Phillip Johnson, sitting as the Appointed Person, in *SKYCLUB Trade Mark*, BL O/044/21, paragraphs 24-29. Secondly, it is apparent that the applicant's defence is based on the claims that the marks are sufficiently different for the average consumer not to be confused, particularly when the nature of the applicant's goods and the "vast" number of other marks using the

²⁹ Boston Scientific Ltd v OHIM, Case T-325/06, paragraph 82.

word "Cult" are taken into account. I will come back to the submission about the number of "Cult" marks in due course, but it is convenient to explain here why the fact that the applicant's goods are hand-prepared is not a relevant consideration under this ground. In *O2 Holdings Limited & Anor v Hutchison 3G UK Limited*, Case C-533/06, the CJEU stated that when assessing the likelihood of confusion under this section, it is necessary to consider <u>all</u> the circumstances in which the mark applied for might be used if it were registered. The terms in the applicant's specification would cover goods that did not possess the quality of being hand-prepared.

80. I proceed on the basis that the contested goods and services are similar to the services of the opponent, although I will make findings on the level of similarity.

81. In the comparison that follows, I interpret the terms in the specifications in the light of the following case law. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."³⁰

³⁰ Paragraph 12.

82. In Sky Plc & Ors v Skykick UK Ltd & Anor [2020] EWHC 990 (Ch), Arnold LJ set out the following summary of the correct approach to interpreting broad and/or vague terms:

"...the applicable principles of interpretation are as follows:

(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded."31

Class 3

83. The following contested goods in Class 3 all fall within either of the broader categories of *Toiletries* or *Cosmetics*, which I understand to refer to preparations used when cleaning or grooming the body, and, in the case of the latter, with the purpose of making it more attractive:

Herbal skin and haircare preparations; Natural oils, salves, balms, serums, tonics and ointments used for cosmetic purposes; Skin and haircare preparations; Skincare preparations (non-medicated); Herbal oils, salves, balms, serums, tonics and ointments (non-medicated); Skin firming preparations (non-medicated); Natural lip care preparations; Hair treatment preparations; Hair care preparations (non-medicated); Natural haircare preparations; Natural hair wash preparations; Natural bath and shower preparations; Herbal preparations for cleansing purposes (non-medicated); Pumice stones for use on the body; Natural herbal make-up removing preparations; Herbal

³¹ Paragraph 56.

preparations for exfoliating purposes; Natural preparations for exfoliating purposes; Natural nail care preparations; herbal anti-ageing skin care preparations (non-medicated); Natural preparations for cellulite reduction; Herbal toning preparations, for the face, body and hands; Skincare preparations containing essential oils; Skincare preparations containing botanical extracts; Skincare preparations containing herbal extracts; herbal bath salts; Natural bath salts; Non-medicated body soaks; bath herbs; Facial hair preparations for men; Natural beard oil; Beard oil; Wax (Moustache); Hair wax; Pomade; Herbal shaving preparations; Shaving oils; After-shave balms; Natural sun care preparations; Herbal after sun care preparations; Natural massage oils for face and body (non-medicated).

84. Earlier in my decision, I found that the opponent was able to rely on *Retail services* connected with the sale of toiletries and cosmetics. In Oakley, Inc. v OHIM, Case T-116/06, the GC held that although retail services are different in nature, purpose and method of use from goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.³²

85. In *Tony Van Gulck v Wasabi Frog Ltd*, BL O/391/14, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, reviewed the law concerning the comparison of retail services and goods. He said:

"The position with regard to the question of conflict between use of **BOO!** for handbags in Class 18 and shoes for women in Class 25 and use of **MissBoo** for the Listed Services is considerably more complex. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is requested in general terms; (iii) for the purpose of determining whether such an application is objectionable under Section 5(2)(b), it is necessary to ascertain whether there is a likelihood of confusion with the opponent's earlier trade mark in all the circumstances in which the trade mark applies for might be used if it

³² Paragraphs 46-57.

were to be registered; (iv) the criteria for determining whether, when and to what degree services are 'similar' to goods are not clear cut."³³

86. However, on the basis of the European courts' judgments in *Sanco SA v OHIM* (Case C-411/13 P) and *Assembled Investments (Proprietary) Ltd v OHIM* (Case T-105/05), upheld on appeal in *Waterford Wedgwood Plc v Assembled Investments (Proprietary) Ltd* (Case C-398/07 P), Mr Hobbs concluded that:

- "i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer's point of view, they are unlikely to be offered by one and the same undertaking;
- ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services <u>normally</u> associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the applicant's trade mark;
- iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark was registered for goods X;
- iv) The General Court's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or proposed to be registered)."
- 87. It is clear from this case law that where the opponent's retail services are to be compared to the applicant's goods, the retail services will be different in nature, purpose and method of use from those goods. Despite these differences, where there is some complementarity and shared trade channels, retail services *may* be similar to goods. It is equally clear that complementarity alone will not suffice for a finding of

³³ Paragraph 9.

similarity, where from the consumer's point of view, the retail services of the applicant would not normally be offered by the same undertaking as the goods. Furthermore, I note that I must not treat the retail services as goods, although consideration of the retail services normally associated with the opponent's goods should be made.

88. The applicant's goods are targeted towards the same users as the opponent's retail services, share the same trade channels and are complementary. I find that they are similar to a medium degree.

89. The remaining Class 3 goods are listed below:

Herbal perfume oils; Natural perfume and perfumery products; Herbal extracts for cosmetic purposes; Extracts of flowers [perfumes]; Perfume; Perfume oils; Natural oils for perfumes; Oils for perfumes and scents; Perfumed potpourris; potpourri; aromatic potpourris; herbal potpourris; scents; Natural room perfumes in spray form; Room mist; Room spray; essential oil blends for laundry purposes; essential oil blends for cleaning purposes; floral water; incense; Incense spray; Incense cones; Incense sticks; loose incense; Essential oils; Scented oils; natural essential oils; essential oils blends for diffusers; aromatherapy preparations; aromatherapy oil; pillows comprising potpourri in fabric containers; potpourri sachets for incorporating in aromatherapy pillows.

90. I accept that these goods may be targeted towards the same users as the opponent's retail services and share some of the same trade channels. However, I do not consider them to be complementary. In the light of the absence of any denial of similarity on the part of the applicant, I find the goods to be similar to the opponent's services to a low degree.

Class 5

91. The following contested goods in Class 5 could all be described as *Toiletries* or *Cosmetics*, although I acknowledge that they have a medicinal quality:

Herbal skincare preparations (medicated); Herbal skincare preparations (therapeutic); Herbal oils, salves, lotions, creams, balms, serums, gels, tonics and ointments (medicated); Herbal nail care preparations; Herbal haircare preparations (medicated);

Medicated shampoo; Medicated shampoos; Medicated lip balm; Medicated balms; Foot balms (Medicated -); Serums; Salves [medicated]; Multi-purpose medicated mentholated salves; Face cream (Medicated -); Body creams [medicated]; Medicated face lotions; Medicated skin lotions; Medicated skin creams; Skin care lotions [medicated]; Medicated body powder; Antibacterial gels; Medicated body gels; Gels for dermatological use; Aloe vera gel for therapeutic purposes; Face scrubs (Medicated -); Anti-bacterial face washes (Medicated -); Herbal mud packs for therapeutic use; Natural clay for therapeutic purposes; Disinfectant soap; Mineral salts for baths; Bath salts for medical purposes; Medicated foot bath preparations; Herbal foot bath preparations; herbal hand bath preparations; herbal bath preparations; Salts for mineral water baths.

- 92. The applicant's goods are targeted towards the same users as the opponent's retail services, share the same trade channels and are complementary. While some goods covered by the terms are likely to be available on prescription, others will be available over the counter and on shelves in retail establishments that sell non-medicated equivalents. I find that they are similar to a medium degree.
- 93. The following goods are forms of medication and remedies, dietary supplements, deodorants and insect repellents, and preparations intended to enhance sexual pleasure and hygiene. They are likely to be targeted towards the same users as the opponent's retail services and may share some trade channels. However, I do not consider that the goods and services are complementary. I find the following goods to be similar to the opponent's services to a low degree:

Natural remedies; Herbal medicine; Herbal compounds for medical use; Herbal preparations for medical use; Medicinal herbs in dried or preserved form; Herbal supplements; Liquid herbal supplements; Herbal sprays for medical use; Herbs (Medicinal -); Extracts of medicinal herbs; Herbs for medicinal purposes; Herbs (Smoking -) for medical purposes; Herbal beverages for medicinal use; Herbal tea for medicinal use; Herbal teas for medicinal purposes; Tinctures for medicinal purposes; Herbal tinctures (extracts in alcohol, water, glycerine, vinegar or honey); Herbal food supplements; Herbal dietary food supplements; Anti-oxidant food supplements; Probiotic preparations for medical use to help maintain a natural balance of flora in the digestive system; Medicinal infusions; Medicinal herbal infusions; Dietetic infusions for medical use; Herbal elixirs; Elixirs [pharmaceutical preparations] Elixirs for eczema; Elixirs for

relieving colds; Elixirs for preventing colds; Elixirs for calming the skin; Elixirs for preventing throat infections; Elixirs for psoriasis; Medicine tonics; Tonics [medicines]; Skin tonics [medicated]; Herbal tonics for medicinal use; Herbal aroma preparations (therapeutic); Medical ointments; Sunburn ointments; Anti-itch ointments; Anti-inflammatory ointments; Antiseptic ointments; Homeopathic anti-inflammatory ointments; Medicated ointments for treating dermatological conditions; Medicated ointments for application to the skin; Ointments for treating nappy rash; personal lubricants; Anti-inflammatory salves; Anti-inflammatory gels; Sexual stimulant gels; Vaginal washes; Vaginal lubricants; Vaginal moisturisers; Vaginal washes for medical purposes; Herbal male enhancement capsules; Oils (Medicinal -); Deodorising room sprays; Antibacterial wipes; Toilet deodorants; Deodorants for upholstery; Insect repellent incense Bandages for skin wounds; Natural pain relief preparations; Pain relief medication; Natural muscle relaxants.

94. The applicant's Herbal tinctures for pets (medicinal); Herbal skincare for animals (medicinal); Natural herbal pain relief medication for animals have a different end-user from the opponent's services and in my view they are unlikely to share trade channels. The goods and services are not complementary. In the light of the applicant's admission, I find that the applicant's goods are similar to the opponent's services to a very low degree.

Class 35

95. I shall first consider *The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods by means of a retail store, by catalogue, by mail order, via an Internet website, by online or by ecommerce means or by any other telecommunications means including via the Internet, all specialising in the marketing of general merchandising goods.* It is not entirely clear what is meant by "general merchandising goods", but I consider it likely that at least some toiletries or cosmetics would come into this category. The applicant's term would include the opponent's *Retail services connected with the sale of toiletries and cosmetics.* Services may be considered to be identical when the services designated by one mark are included in a more general category designated by the other: see *Gérard Meric v OHIM*, Case T-133/05, paragraph 29. I find this to be the case here and so the services are identical.

96. The opponent submits that the applicant's *Organisation of events, exhibitions, fairs* and shows for commercial, promotional and advertising purposes is similar to its own *Retail services connected with the sale of toiletries and cosmetics*, as the applicant's services could be directed towards the personal care and beauty industry and are complementary to its own retail services. The users of the applicant's services are businesses who want to promote their own goods and services, while the users of the opponent's services will be members of the general public, although I accept that businesses within the beauty industry would also use those services. However, providing retail services is not the same as arranging an event, exhibition, fair or show. The purpose of the applicant's services is to enable that event to take place. I do not find the services to be in competition or complementary. That said, as I have already mentioned, the applicant has not denied similarity between any of the goods and services at issue in these proceedings and therefore I find that the services are similar to a low degree.

97. The opponent submits that the same reasoning that it put forward in relation to the services considered in the previous paragraph also applies to the remaining terms. I have been given no explanation of the meaning of the contested term *Management of a business retail enterprise for others*. I believe the core meaning of the term encompasses either the provision of a variety of administrative tasks, such as book keeping, tax preparation and staff recruitment, or the supply of retail services on behalf of a third party, such as a museum. The users will be businesses, while the users of the opponent's retail services will, as I have already noted, be members of the general public. The purpose of the services is different. I accept that retail services are indispensable to the provision of the applicant's services and it is possible that the consumer may believe that the same undertaking is providing retail services under its own name and for a third party. As the applicant has not denied similarity, I find that the services are similar to a low degree.

98. The final contested services are Advisory, information and project management and consultancy services in relation to all the aforesaid services. I consider that the same reasoning I have set out above applies here. I find the services to be similar to a low degree.

Average consumer and the purchasing process

99. In *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors* [2014] EWHC 439 (Ch), Birss J (as he then was) described the average consumer in these terms:

"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 word 'average' denotes that the person is typical. The term 'average' does not denote some form of numerical mean, mode or median." 34

100. The applicant claims that the section of the public that is drawn towards its goods and services is different from the consumer of the opponent's goods and services, as the applicant submits that she is well known within the Wicca community. This argument does not help the applicant. In considering the opposition under section 5(2), I must, as I have already noted, have regard to the terms of the respective specifications and how they could fairly be used.

101. The opponent submits that the average consumer is a member of the general public, who will buy the goods and services frequently and typically at a low cost. It submits that the average consumer will pay an average degree of attention during the purchasing process.

102. The average consumer of the Class 3 goods will, in my view, be a member of the general public or a trade customer, such as a beautician or aromatherapist. The member of the public will purchase the goods relatively frequently from a physical shop or an online retailer. The goods will be relatively inexpensive, and the consumer will consider factors such as suitability and ingredients, as they will be applied to the skin and hair. Overall, I consider that they will be paying a medium degree of attention. The professional consumer is likely to pay a slightly higher degree of attention as their

³⁴ Paragraph 60.

reputation will to some extent be tied to the products that they use. The goods are likely to be selected from a shelf or website, and so the purchasing process will largely be visual. However, the average consumer may discuss products with sales staff or receive word-of-mouth recommendations. Therefore, I do not discount the aural impact of the marks.

103. I also consider that the average consumer of the Class 5 goods will either be a member of the general public or a professional, such as a therapist. The goods are not, generally speaking, expensive and will be purchased from a specialist retailer, or in some instances a supermarket, either in a physical shop or online. The consumer will consider factors such as the ingredients and suitability for any medical condition. The average consumer pays a higher degree of attention when purchasing pharmaceutical products, even when they are available without prescription: see *Bayer AG v EUIPO*, Case T-262/17. In my view, this would also be the case with natural and homeopathic remedies. They are likely to be selected by the consumer from a shelf or the website, and so the purchasing process will largely be visual, although I do not discount the aural element, given the possibility of recommendations and discussions with sales staff.

104. The average consumer of the retail services will be a member of the general public, who will choose a supplier after seeing the mark in use in promotional material, whether printed, online or in television advertising, or on signage. The purchase will be mainly visual, although there may also be an aural component. The average consumer will pay a medium degree of attention, and will take account of factors such as the range of goods on offer.

105. The remaining Class 35 services will be purchased by businesses. The average consumer will consider factors such as the range of services offered and the reputation of the provider, given that any advice or actions may affect their own business's reputation and the services may be engaged for the long term. They will, in my view, be paying a relatively high degree of attention. The consumer will make the decision having viewed promotional material, either in print or online, or after searching the internet. The visual aspect of the mark will therefore be important. They may also

receive recommendations from advisors or other contacts, and so aural considerations will also be relevant.

Conclusions on likelihood of confusion

106. There is no scientific formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where a number of factors need to be borne in mind. I must also take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods or services or vice versa. I keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them they have in their mind.

107. The applicant has submitted that many trade marks containing the word "CULT", or something similar, have been registered.³⁵ In *Zero Industry Srl v OHIM*, Case T-400/06, the GC stated that:

"As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word 'zero', it should be pointed out that the Opposition Division found, in that regard, that '... there are no indications as to how many of such trade marks are effectively used in the market'. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 *GfK v OHIM – BUS (Online Bus)* [2005] ECR II-4865, paragraph 68, and Case T-29/04 *Castellblanch v*

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³⁵ Counter-statement, paragraph 2.6.

OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II-5309, paragraph 71)."³⁶

108. The applicant has filed no evidence of use of these marks in the market and so I dismiss this argument.

109. The applicant further notes that the opponent did not oppose its earlier application for "Cult Botanics" and that it made no attempt to stop the applicant from trading under the contested mark, which the applicant claims to have been doing since 2020. Whether the opponent chose to oppose an earlier application or not has no bearing on the decision I must make. Similarly, the lack of attempts to stop trading is not relevant here. There is no evidence to tell me the scale of any trading, and such a decision would be a commercial one for the opponent.

110. There are two types of confusion: direct and indirect. In *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, Iain Purvis QC, sitting as the Appointed Person, explained that:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised 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.'

³⁶ Paragraph 73.

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)."

111. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

"This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition."³⁷

112. He also said:

"As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] 'a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no

³⁷ Paragraph 12.

likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."³⁸

113. Earlier in my decision, I found that the opponent could only rely on some of the Class 35 services in respect of which "CULT BEAUTY" is registered, and that the contested goods and services were similar to these earlier services to a medium, low or very low degree, except for the following, which were identical: *The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods by means of a retail store, by catalogue, by mail order, via an Internet website, by online or by e-commerce means or by any other telecommunications means including via the Internet, all specialising in the marketing of general merchandising goods. I also found that the marks were visually highly similar and aurally and conceptually similar to a medium degree. I found that the dominant and distinctive element of the 715 mark was "CULT", which is also the dominant and distinctive element of the contested mark for all the goods. I had also found that the distinctiveness of the 715 mark had been enhanced to a high degree.*

114. I consider that, even where the goods and services are similar to only a very low degree, the average consumer is likely to recollect the marks imperfectly, focusing on the more distinctive element of "CULT", which is highly distinctive in relation to the opponent's retail services for cosmetics, toiletries and beauty-related tools and implements. Consequently, I find there to be a likelihood of confusion for all the goods and services.

115. In case I am wrong in this, I shall also consider whether there is a likelihood of indirect confusion. As I found that "BOTANIC" is descriptive for the Class 3 and 5 goods, and for goods that could, on a notional and fair basis, be the subject of the Class 35 services, it is my view that, if the average consumer notices that the contested mark is different from the 715 mark, they will assume that the contested mark is

³⁸ Paragraph 13.

another brand of the opponent selling plant-based goods, particularly in the light of the enhanced distinctiveness of the 715 mark.

116. The partial opposition under section 5(2)(b) based on the 715 mark is wholly successful. The opponent is therefore put in no better position by the 023 and the 779 marks. I shall, however, briefly consider the remaining grounds.

Section 5(3)

117. Section 5(3) of the Act is as follows:

"A trade mark which -

(a) is identical with or similar to an earlier trade mark,

[...]

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

118. The conditions of section 5(3) are cumulative. First, the opponent must show that the earlier mark is similar to the application. Secondly, it must satisfy me that the earlier mark has achieved a level of knowledge or reputation amongst a significant part of the relevant public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the application. Fourthly, assuming that the first three conditions have been met, section 5(3) requires that one or more of the three types of damage claimed will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

- 119. The relevant case law can be found in the following judgments of the CJEU: General Motors Corp v Yplon SA (Case C-375/97), Intel Corporation Inc v CPM United Kingdom Ltd (Case C-252/07), Adidas Salomon AG v Fitnessworld Trading Ltd (Case C-408/01), L'Oréal SA & Ors v Bellure & Ors (Case C-487/07) and Interflora Inc & Anor v Marks and Spencer plc & Anor (Case C-323/09). The law appears to be as follows:
 - a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.
 - b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.
 - c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon*, paragraph 29, and *Intel*, paragraph 63.
 - d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods and/or services, the extent of the overlap between the relevant consumers for those goods and/or services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42.
 - e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or that there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68. Whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.
 - f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods and/or services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods and/or services for

which the earlier mark is registered, or a serious risk that this will happen in the future; *Intel*, paragraphs 76 and 77.

- g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.
- h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact on the earlier mark; *L'Oréal*, paragraph 40.
- i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation; *Interflora*, paragraph 74, and the court's answer to question 1 in *L'Oréal*.

Reputation

120. In General Motors, the CJEU held that:

"24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or services marketed, either the public at large or a more specialised public, for example traders in a specific sector.

- 25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.
- 26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.
- 27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use and the size of the investment made by the undertaking in promoting it.
- 28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."
- 121. Earlier in this decision, I found that the 715 mark, which is the only one for which the opponent claims reputation and which has survived the proof of use assessment, benefits from an enhanced degree of distinctive character in relation to the services it could rely on. The relevant territory in that instance was the UK, but under section 5(3) I need to consider the whole of the EU up to IP Completion Day, and the UK thereafter. The territory of a single Member State <u>may</u> be considered to constitute a substantial part of the territory of the EU: see *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, paragraphs 20-30. Given the level of turnover and media coverage in the UK, I consider that the 715 mark has a qualifying reputation.

Link

122. Where there is a likelihood of confusion, there is automatically a link in the mind of the relevant public.

Damage

123. I shall first deal with the claim of unfair advantage. This means that consumers are more likely to buy the goods and services of the contested mark than they would otherwise have been if they had not been reminded of the earlier mark. In *L'Oréal*, the CJEU said:

"The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an advantage taken unfairly by that third party of the distinctive character or the repute of that mark where that party seeks by that use to ride on the coat-tails of the mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image." ³⁹

124. If there is a likelihood of confusion with a mark with a reputation, the later mark will gain an unfair advantage. Consumers will be more likely to buy the applicant's goods and services in the belief that there is an economic connection between the two parties. Consequently, damage is made out and the partial opposition succeeds under section 5(3).

Section 5(4)(a)

125. Section 5(4)(a) of the Act states that:

"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 or 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 4(A) is met

³⁹ Paragraph 50.

..."

126. Subsection 4(A) is as follows:

"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."

127. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the 'classical trinity' that must be proved in order to reach a finding of passing off:

"First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

Relevant Date

128. In Maier & Anor v ASOS plc & Anor [2015] EWCA Civ 220, Kitchin LJ said;

⁴⁰ Page 406.

"... Under the English law of passing off, the relevant date for determining whether a claimant has established the necessary reputation or goodwill is the date of the commencement of the conduct complained of (see, for example, Cadbury-Schweppes Pty Ltd v The Pub Squash Co Ltd [1981] RPC 429). The jurisprudence of the General Court and that of OHIM is not entirely clear as to how this should be taken into consideration under Article 8(4) (compare, for example, T-114/07 and T-115/07 Last Minute Network Ltd and Case R 784/2010-2 Sun Capital Partners Inc). In my judgment the matter should be addressed in the following way. The party opposing the application or the registration must show that, as at the date of application (or the priority date, if earlier), a normal and fair use of the [contested] trade mark would have amounted to passing off. But if the [contested] trade mark has in fact been used from an earlier date then that is a matter which must be taken into account, for the opponent must show that he had the necessary goodwill and reputation to render that use actionable on the date that it began."41

129. The relevant date is 17 September 2021. The applicant says that it has been using the mark since 2020, but filed no evidence to corroborate this claim made in its counter-statement. I am therefore unable to take into account the position in 2020.

Goodwill

130. The opponent must show that it had goodwill in a business at the relevant date of 17 September 2021 and that the signs relied upon, **CULT** and **CULT BEAUTY**, are associated with, or distinctive of, that business.

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

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages of the good name, reputation and

⁴¹ Paragraph 165.

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. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates."⁴²

132. On the basis of the evidence I have already considered, I am satisfied that the opponent had a protectable goodwill associated with **CULT BEAUTY** in relation to its business providing online retail services connected with cosmetics, toiletries and related tools and implements.

Misrepresentation

133. The relevant test was set out by Morritt LJ in *Neutrogena Corporation & Anor v Golden Limited & Anor* [1996] RPC 473 at [493]:

"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] RPC 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

⁴² At [224].

in Saville Perfumery Ltd v June Perfect Ltd (1941) 58 RPC 147 at page 175; and Re Smith Hayden's Application (1945) 63 RPC 97 at page 101."

134. Although the test for misrepresentation is different from that for likelihood of confusion in that it entails "deception of a substantial number of members of the public" rather than "confusion of the average consumer", it is unlikely, in the light of the Court of Appeal's decision in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, that the difference between the legal tests will produce different outcomes. I believe that to be the case here and I am satisfied that damage is likely through lost sales.

135. The partial opposition is successful under section 5(4)(a).

OUTCOME

136. The partial opposition is successful and Trade Mark Application No. 3696522 will proceed to registration for the following goods and services:

Class 4

Candles; Handmade candles; Plant wax candles; Beeswax candles; Scented candles; candles containing insect repellent; candles containing essential oils; aromatherapy fragrance candles; candles containing herbs; candles containing flower petals; church candles; grave candles; altar candles; candles in tins; candles in glass jars; tea-light candles; table candles; floating candles; coloured candles.

Class 9

Photographic, cinematographic and optical representations; downloadable electronic publications and downloadable website pages; computer software; digital music provided from the Internet; digital media and other carriers, all bearing sound recording, video recording, data, images, graphics, text, programmes or information; memory carriers; interactive compact discs and CD-ROMS.

Class 16

Books; newsletters; printed matter; journals; diaries; printed website pages; instructional and teaching material; Christmas cards; greeting cards; training materials; printed

publications; leaflets; booklets; brochures; magazines; posters; cards; postcards;

banners; flags; certificates; photographs; calendars; office requisites; pens; pencils;

boxes for pens and pencils; maps; stickers; carrier bags; art prints, paintings and

drawings.

Class 41

Education; provision of training; provision of on-line training; provision of education in

the field of personal development, lifestyle and life skills; provision of residential courses;

organisation of education events and activities; organisation of events, exhibitions,

symposia, seminars and concerts; arranging and conducting of workshops; vocational

training; provision of information for educational purposes; publishing; education and

training services with regard the making and development of cosmetic, beauty, hair,

perfumery, and health products, candle making and craft; provision of advice and

information in relation to all the aforesaid services.

Class 44

Performing hand baths and foot baths on others.

Class 45

Counselling services; counselling relating to spiritual direction; tarot readings; oracle

card readings; rune readings; personal styling services.

COSTS

137. The opponent has been successful and is entitled to a contribution towards its

costs in line with the scale set out in Tribunal Practice Notice (TPN) 2/2016. In the

circumstances, I award the opponent the sum of £2000 as a contribution towards the

cost of the proceedings. The sum is calculated as follows:

Preparing a statement and considering the other side's statement: £350

Preparing evidence: £1000

Preparing written submissions in lieu of a hearing: £450

Official fee: £200

TOTAL: £2000

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138. I therefore order Johanna Elf to pay Cult Beauty Limited the sum of £2000, which 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 17th day of April 2023

Clare Boucher
For the Registrar,
Comptroller-General