O/0536/23

**TRADE MARKS ACT 1994** 

IN THE MATTER OF TRADE MARK APPLICATION NO. 3743556 BY

**KIERAN PAAKOJO ANSONG** 

TO REGISTER THE TRADE MARK:

# THE HOME OF OBSESSIVE DREAMERS

IN CLASSES 25 AND 41

AND

OPPOSITION THERETO UNDER NO. 433217 BY

AMOCARAT SP. Z.O.O.

## **BACKGROUND & PLEADINGS**

1. On 14 January 2022 Kieran Paakojo Ansong ("**the applicant**"), applied to register the trade mark shown on the front page of this decision in the United Kingdom. It was accepted and published in the Trade Marks Journal on 4 February 2022 for the following goods and services:

Class 25: Clothing; clothing for men and women; clothing accessories for men and women

Class 41: Music publishing and recording services; Entertainment in the nature of live performances by a musical performer.

Amocarat Sp. z o.o. ("the opponent") opposes the application on the basis of Sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). The opponent is based upon the opponent's comparable UK trade mark (EU)<sup>1</sup>. Pertinent details of the "earlier marks" are as follows:

Mark:ObsessiveUK TM No:913899497Relied upon goods:Class 25 - Clothing, Footwear, Underwear,Lingerie, Swimming costumes, Hosiery, Dresses, Hats.Filing date:31 March 2015Date of registration:20 August 2015



Mark:

Relied upon goods: Class 25 - Clothing, Footwear, Hats;
Underwear, Lingerie; Swimming costumes; Hosiery.
Filing date: 22 July 2019
Date of registration: 4 December 2019

3. The grounds of opposition are directed solely against the applied for class 25 goods. In summary the claims are as follows:

<sup>&</sup>lt;sup>1</sup> Following the end of the transition period of the UK's withdrawal from the EU, all EU trade marks ("EUTM") registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A 'comparable trade mark (EU)' retains the same filing date, priority date (if applicable) and registration date of the EUTM from which it derives

- a) For the s.5(2)(b) claims the opponent only relies upon its class 25 goods. The opponent contends that it has "a far reaching reputation for the mark OBSESSIVE in relation to lingerie" and therefore there is a likelihood of confusion and/or a likelihood of association.
- b) For the s.5(3) claim, the opponent relies upon the same two earlier marks and only opposes the class 25 goods of the application. The opponent claims to have used the earlier marks and has built up a far reaching reputation in relation to lingerie. The opponent argues that the applicant's use of a highly similar mark for clothing is likely to take advantage of its reputation.
- 4. The applicant filed a counterstatement denying the claims made and putting the opponent to proof of use (this is only relevant to the '497 mark).
- 5. Only the opponent filed evidence in these proceedings. Neither party filed written submissions, nor did they request a hearing. Therefore, this decision is taken following a careful perusal of the papers.
- 6. In these proceedings, the opponent is represented by Stephens Scown LLP. The applicant was represented by Virtuoso Legal up until the end of evidence rounds. After that, they were not represented.

## Decision

## Proof of use

- I will begin by assessing whether there has been genuine use of the earlier '497 mark. The relevant statutory provisions under Section 6A of the Act are 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 section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

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

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(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)-(5A) [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."

8. As the earlier mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

"7.— (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 "fiveyear 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".

9. Section 100 of the Act states that:

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

- 10. Pursuant to section 6A of the Act, the relevant period for assessing whether there has been genuine use of the earlier ('497) mark is the fiveyear period ending with the date of the application in issue i.e. 15 January 2017 to 14 January 2022.
- 11. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) summarised the law relating to genuine use as follows:

"114. [...] The CJEU has considered what amounts to "genuine use" of a trade mark in a series of cases: Case C-40/01 Ansul BV v Ajax Brandbeveiliging BV [2003] ECR I-2439, La Mer (cited above), Case C-416/04 P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2006] ECR I-4237, Case C-442/07 Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky' [2008] ECR I-9223, Case C-495/07 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 P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [EU:C:2014:2089] and Case C-689/15 W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse [EU:C:2017:434], [2017] Bus LR 1795.

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

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

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

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

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

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

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

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

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

12. Proven use of a mark which fails to explain that "the commercial exploitation of the mark is real" because the use would not be "viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark" is, therefore, not genuine use.

- 13. The opponent's evidence consists of a witness statement by Pawel Szydziak who is the CEO of the opponent based in Poland. The witness statement is one page long and comprises six exhibits marked OB1 to OB6.
- 14. It is stated that the opponent has been using its mark since 2006, beginning in Poland, and has subsequently expanded online and internationally supplying over 60 countries.
- 15. In terms of turnover, the opponent provided the following figures:

Year	Annual revenue
2017	£82,982
2018	£76,279
2019	£91,012
2020	£187,968
2021	£97,381

16. The opponent also provided a number of invoices<sup>2</sup> which have the customer addresses as being UK postcodes. They are dated between January 2017 and December 2021. The invoices also include the marks as follows:



- 17. A lot of the goods descriptions are in Polish but there are many references to various items of lingerie such as thongs, corsets, stockings, etc.
- 18. The evidence also includes articles from The Sun newspaper which show the goods being worn by glamour model Rhian Sugden. They are dated within the relevant period. It also includes examples of the mark being used for various items of lingerie on UK retailer websites. The evidence does not include advertising figures, promotional spend or a general indication of the level of exposure of the mark.

Variant use

<sup>&</sup>lt;sup>2</sup> Exhibit OB1

19. I am satisfied that use of the mark as presented in the invoices is an acceptable variant of the earlier Obsessive (word only) mark ('497). This is because the device above the word retains an independent distinctive role.

## Sufficient use?

20. I must now consider whether, or the extent to which, the evidence shows use of the earlier mark in relation to the goods relied upon. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. (as he was) as the Appointed Person summed up the law as being:

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

21. The evidence is brief, and lacking information but it does show consistent annual sales over the 5-year period which range from £82k to £188k. These are modest sales, but I find them to be sufficient to demonstrate genuine use of the mark for the relevant period.

## Fair specification

22. In Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors [2016] EWHC 3103 (Ch), Mr Justice Carr 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 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. The goods relied upon by the opponent are "Clothing, footwear, underwear, lingerie, swimming costumes, hosiery, dresses, hats". The '497 earlier mark also includes "dresses" which are not present in the '599 mark.
- 24. It is clear from the evidence that the opponent does not sell anything other than items of lingerie. This is evidenced in the "About Obsessive" page from its website which states that "Obsessive is a Polish brand of sensual, sexy and elegant lingerie for women."<sup>3</sup> This is also supported by the references in the invoices being various items of lingerie.
- 25. In view of the above, I consider a fair specification that the opponent may rely upon to be class 25 *lingerie*.

<sup>&</sup>lt;sup>3</sup> Exhibit OB2

## Section 5(2)(b)

26. The relevant law is as follows:

"A trade mark shall not be registered if because -

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

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

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

27. The following principles are gleaned from the decisions of the EU courts in Sabel BV v Puma AG, Case C-251/95, Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc, Case C-39/97, Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. Case C-342/97, Marca Mode CV v Adidas AG & Adidas Benelux BV, Case C-425/98, Matratzen Concord GmbH v OHIM, Case 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-334/05P and Bimbo SA v OHIM, Case C-591/12P.

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements; (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

## Comparison of goods

28. Whilst the '599 mark is not subject to proof of use, I shall proceed on the basis of the '497 mark as this clearly represents the opponent's best case. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the CJEU stated that:

"23. In assessing the similarity of the goods or services concerned [...] all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or complementary."

- Guidance on this issue was also given by Jacob J (as he then was) in British Sugar Plc v James Robertson & Sons Limited ("Treat") [1996] RPC 281. At [296], he identified the following relevant factors:
  - "(a) The respective uses of the respective goods or services;

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

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

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

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

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

30. The competing goods to be compared are shown in the following table:

Applied for goods	Opponent's goods
Class 25: clothing; clothing for men and women;	Class 25: Lingerie
clothing accessories for men and women	

- 31. Applying the *Meric* principle (that broad terms can cover specific items within the broad term), the applied for clothing and clothing for women encompass the opponent's *Lingerie* and as such the goods are identical.
- 32. That leaves the applied for clothing for men and clothing accessories for men and women. Applying the principles set out in the *Canon* and *Treat* cases above, I conclude that the respective goods are similar to at least a medium degree. Whilst they are not in competition and they differ slightly in nature and purpose, they would be sold through the same trade channels and in the same outlets. They are also likely to be sold in relatively close proximity to one another.

## Average Consumer and the Purchasing Act

33. The average consumer is deemed to be reasonably well informed, observant and circumspect. For the purposes of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. In *Hearst Holdings & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), at paragraph 70, 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. The goods at issue are Class 25 lingerie. The average consumer of the goods will be a member of the general public. Various factors will be taken into account during the purchasing process such as aesthetics, durability and material. The goods will vary in price but unlikely to be too expensive, and all will be purchased reasonably often. Taking all of this into consideration, I consider it likely that a medium degree of attention will be paid during the purchase.
- 35. The goods are likely to be self-selected from the shelves of a retail outlet or their online or catalogue equivalents. Visual considerations are, therefore, likely to dominate the selection process<sup>4</sup>. However, I do not discount aural recommendations.

## Comparison of Trade Marks

36. It is clear from *Sabel BV v. Puma AG* (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 Court of Justice of the European Union ("CJEU") stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

<sup>&</sup>lt;sup>4</sup> *New Look Limited v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03 at [50].

- 37. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.
- 38. The opponent relies upon two earlier marks. As previously stated, I am proceeding on the basis of the '497 mark. Therefore, the marks to be compared are:

Applied for mark	Earlier mark
THE HOME OF OBSESSIVE DREAMERS	Obsessive

#### Overall impression

- 39. The earlier mark consists of the single word "Obsessive". As this is the only element its overall impression resides in the mark as a whole.
- 40. The applied for mark comprises of the words "THE HOME OF OBSESSIVE DREAMERS". It contains no other elements and therefore the overall impression resides in the combination of these words.
- 41. Visually, the earlier mark consists of the single word "Obsessive". That word appears as the fourth word of five in the applied for mark. Whilst the word "obsessive" is the longest word within the applied for mark, it forms only 9 letters of the 26-letter long phrase. The differences outweigh the similarities and, therefore, on balance, I find that the marks are visually similar to a degree less than medium but not low.
- 42. Aurally, the word "Obsessive" will be pronounced in the same manner in each of the respective marks. Therefore, they differ with the presence of the words "THE HOME OF DREAMERS" which are an additional four words and five syllables. Overall, I find that the respective marks aurally similar to a degree less than medium but not low.
- 43. Obsessive is a dictionary defined word which means the state of being obsessed with someone or something. It is an ordinary word that the general public would recognise and understand. Therefore, this is the concept that is being conveyed.
- 44. Whilst the concept of being obsessive is present in the applied for mark, the words "THE HOME OF" and "DREAMERS" qualify the adjective obsessive into meaning the place where people are obsessed with

dreaming. It will not be perceived as a reference to an actual place but more of an allusive phrase.

45. In view of the above, I find that the respective marks to be conceptually similar to a degree below medium but not low.

## **Distinctive Character of The Earlier Trade Mark**

46. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, paragraph 22 and 23, the CJEU stated that:

"In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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)."

- 47. Registered trade marks possess varying degrees of inherent distinctive character: perhaps lower where a mark may be suggestive or allusive of a characteristic of the goods, ranging up to those with high inherent distinctive character, such as invented words which have no allusive qualities.
- 48. The opponent has filed evidence to support its claim that it has a reputation for lingerie. The date I am required to assess whether the distinctive character of the earlier mark has become enhanced due to the use made of it is the application date 14 January 2022.

- 49. As I have already stated, I consider sales figures of £83k to £188k per annum to be modest. I also commented that the evidence is brief and lacks detail on the level of advertising spend and exposure of the mark to the general public.
- 50. Taking the evidence as a whole, I consider the distinctive character of the earlier mark has not been enhanced at all. In terms of inherent distinctive character, the earlier mark is not descriptive, allusive or suggestive of a characteristic of the goods. However, it is a well-known dictionary defined word and so its inherent distinctive character cannot be high, and so I consider it to have a medium degree of inherent distinctive character.

## Likelihood of confusion

- 51. In assessing the likelihood of confusion, I must adopt the global approach set out in the case law to which I have already referred above in this decision. Such a global assessment is not a mechanical exercise. I must also have regard to the interdependency principle, i.e., that a lesser degree of similarity between the goods may be offset by a greater degree of similarity between the marks, and vice versa.<sup>5</sup> It is essential to keep in mind the distinctive character of the opponent's trade mark since the more distinctive the mark, the greater the likelihood of confusion. I must also keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon imperfect recollection.<sup>6</sup>
- 52. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other. I shall begin by considering a likelihood of direct confusion.
- 53. I have found the respective goods to be either identical or similar to at least a medium degree. I have also found the respective marks to be visually, aurally and conceptually similar to a degree below medium but not low. I have found the inherent distinctive character of the mark to be medium, and the goods would be purchased following a visual inspection (though I do not discount aural considerations).
- 54. In reaching a conclusion, I am proceeding on the basis most favourable to the opponent, i.e. the earlier '497 mark and the identical class 25 goods. If the opponent is unable to succeed on this basis, it would be in no better position in relation to the other mark and other goods. With this in mind I

<sup>&</sup>lt;sup>5</sup> See Canon Kabushiki Kaisha, paragraph 17.

<sup>&</sup>lt;sup>6</sup> See *Lloyd Schuhfabrik Meyer*, paragraph 27.

am firmly of the view that the average consumer, who is reasonably observant and circumspect, would not mistake one mark for the other. Even if they were to recall that both marks share the word "obsessive", they are likely to put this down to it being a coincidence and that they are not from the same economic undertaking.

55. That leaves me to consider indirect confusion. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C. (as he was then), as the Appointed Person, explained that:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: 'The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark'.

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 subbrand 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)."

- 56. In Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in Cheeky Italian Ltd v Sutaria (O/219/16), where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.
- 57. Further, it is not sufficient that a mark merely calls to mind another mark: *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17. This is mere association not indirect confusion.
- 58. Whilst the respective marks share the word "obsessive", which is a commonly used word, it does not play an independent distinctive role within the applied for mark. Instead, it is qualified by the words "THE HOME" and "DREAMERS" to create a fictional place. This, together with the level of visual and aural similarity and all of the other factors I have outlined in paragraphs 53 and 54 lead me to conclude that there is no indirect confusion. I do not believe that when consumers are faced with "THE HOME OF OBSESSIVE DREAMERS" and "Obsessive", even for identical goods, they would believe that they come from the same, or economically linked, undertakings. They would not view it as being a brand extension, sub-brand or any of the other elements described in *L.A. Sugar*.
- 59. In conclusion, the s.5(2)(b) ground fails.

## Section 5(3)

60. I shall now go on to consider the s.5(3) claim. The opponent seeks to rely upon both of its earlier marks, but as with my s.5(2)(b) assessment I shall proceed with the '497 mark which represents the opponent's best case. The law 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."

61. S.5(3A) states:

"(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected."

62. The conditions of s.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/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 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.

## Reputation

63. In *General Motors*, Case C-375/97, 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."

I have already been critical of the evidence, in particular when assessing the evidence in support of the claim of an enhanced distinctive character. The sales figures are modest, and there is a distinct lack of detail in respect of establishing whether the earlier mark is known by a significant part of the public concerned. There is no information relating to the market share, but sales around £100k per annum are likely to be very small in respect of the overall lingerie market. Further, there is no evidence relating to the intensity or geographical extent of use. I accept that the '497 mark has been used for at least 5 years prior to the relevant period. However, I find that the evidence does not support that it has the requisite reputation to support a s.5(3) claim. On this basis, I decline to consider whether there would be a link and subsequent damage.

64. The s.5(3) claim fails.

## OVERALL CONCLUSION

65. The opposition fails in its entirety. The application, subject to appeal, may proceed to registration for all of the applied for goods and services.

## COSTS

66. The applicant has been successful and is entitled to a contribution towards its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 2/2016. It is noted that the applicant was professionally represented up until the end of the evidence rounds. However, it is also noted that apart from filing its counterstatement, it did not file evidence or submissions. Therefore, I award costs to the applicant as a contribution towards the cost of the proceedings on the following basis:

Considering the statement of case and preparing the counterstatement	£250
Considering the opponent's evidence	£100

### TOTAL

#### £350

67. I, therefore, order Amocarat Sp. z.o.o. to pay Kieran Paakojo Ansong the sum of £350. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 9<sup>th</sup> day of June 2023

Mark King For the Registrar, The Comptroller General