

O/016/18

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF THE APPLICATION UNDER NO. 3161942

BY SIRCUS LIMITED TO REGISTER:



BEYONDSOME

AS A TRADE MARK IN CLASSES 16 AND 25

AND

IN THE MATTER OF THE OPPOSITION THERETO UNDER NO. 406840

BY VKO FARMS LIMITED

AND

**IN THE MATTER OF THE APPLICATION BY SIRCUS LIMITED UNDER
CA501496 FOR A DECLARATION OF INVALIDITY IN RESPECT OF TRADE
MARK REGISTRATION 3168656 FOR "BEYONDSOFT" IN CLASSES 25 AND**

41 IN THE NAME OF VKO FARMS LIMITED

BACKGROUND AND PLEADINGS

1. This decision relates to two proceedings that have been consolidated since they deal with the same parties and closely related marks, specifications and evidence. The proceedings are an opposition to the application to register the mark shown on the front page of this decision and a challenge (in response) to the validity of the earlier mark relied on as the basis of that opposition.

The Opposition

2. On 28 April 2016, Sircus Limited (“the Applicant”) applied to register the figurative trade mark shown on the front page of this decision, which bears the text “Beyondsome”. The application is in respect of the following goods:

Class 16: *Graphic representations*; and **Class 25:** *Clothing*.

3. That application was published for opposition purposes in the Trade Marks Journal on 20 May 2016 and is opposed by VKO Farms Limited (“the Opponent”). The Opponent bases its opposition on its ownership of a UK trade mark registration (No. 3168656) for the word “Beyondsoft” registered for the following goods and services:

Goods in class 25: *Clothing; footwear; headgear; swimwear; sportswear; leisurewear*


Services class 41: *Organizing and presenting displays of entertainment relating to style and fashion; organization of fashion shows for entertainment purposes; arranging of exhibitions for cultural purposes; organizing and arranging exhibitions for entertainment purposes*

4. The Opponent applied for its mark on 9 June 2016. The registration process was completed on 16 September 2016 when the mark was entered in the register. Priority for the Opponent’s mark is claimed based on a registration at the Benelux Office for Intellectual Property (BOIP) that was filed on 23 December 2015 with the filing number 1323707. (The Opponent provides as Exhibit 1 to its statement of grounds an extract from the BOIP database certifying the priority date.)

5. The opposition is brought on the basis of section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), the Opponent claiming in its statement of grounds that the Applicant’s mark is highly similar to the Opponent’s earlier mark and is seeking registration in respect of goods that are identical or highly similar to the Opponent’s registered goods and services, such that, if the Applicant’s mark were registered, the relevant public would believe that the marks are used by the same undertaking or think that there is an economic connection between the users of the trade marks. The Opponent relies on all its goods and services and opposes all of the Applicant’s goods.
6. The Applicant submitted a Form TM8 defending the opposition and making a counterstatement that, firstly, the Applicant had earlier trade mark rights because, by the date from which the Opponent claims priority based on its Benelux trade mark, the Applicant had already been using the mark “BEYONDSOME” for 5 months. In particular, between August 2015 and December 2015, the Applicant’s sales under the “BEYONDSOME” mark in the UK in relation to the goods stated in the specification of the application amounted to approximately £160, 000. The Applicant therefore reserved its right to seek to invalidate the Opponent’s trade mark (No. 3168656) on the basis of the Applicant’s unregistered trade mark rights. Secondly, the Applicant denied a likelihood of confusion between its applied-for mark and the Opponent’s registration because it denied similarity between the marks at issue, nor between the respective goods and services.
7. The Opponent filed submissions in support of its opposition (largely repeating points from its statement of grounds) and replying to the Applicant’s defence and counterstatement.
8. The Applicant supported its defence of the opposition by filing evidence, comprising a witness statement by Matthew Parker along with exhibits MPO1 - MPO6. The Applicant filed almost the same evidence in relation to the invalidation application outlined below. (I give a summary of evidence below.)

The Application for a declaration of invalidity

9. On 24 November 2016¹, the Applicant filed an application on Form TM26(I) to have declared invalid registration 3168656 - the trade mark relied on by VKO Farms Limited in the opposition. For the purposes of the invalidation action, VKO Farms Limited are described in this decision as “the Registrant”. The invalidation action is brought pursuant to section 47(2)(b) of the Act, in combination with section 5(4)(a).
10. For the purpose of section 5(4)(a) of the Act the Applicant claims to have unregistered rights in the signs below and that use of the Registrant’s trade mark would amount to passing off in respect of the Applicant’s signs.

Applicant’s claimed unregistered rights	
Sign 1	BEYONDSOME
Sign 2	
Sign 3	beyondsome
Sign 4	BEYONDSOME

11. The unregistered rights are claimed to arise from the Applicant’s use of the signs in relation to clothing products and graphic design services throughout the United Kingdom since 17 February 2015.
12. I note that in the Form TM26(I) as filed in November 2016 the Applicant claimed to have unregistered rights only in the sign “BEYONDSOME”. The Applicant amended its Form

¹ The Applicant amended its Form TM26(I) on 17 August 2017, changing the earlier signs relied on and their date of first use.

TM26(I) on 17 August 2017, so that the earlier signs relied on are as listed in the table, and their date of first use is as given above. The later Form TM26(I) did not, however, change the statement of grounds, which included points relating to the single sign originally claimed, rather than to the amended list of four signs.

13. It is enough to note that the Applicant claims in its statement of grounds that use of the Registrant's mark would be restrained under the law of passing off because: (i) the Applicant claims to have accrued by the relevant date² a significant amount of goodwill in its signs; (ii) the similarity between the Applicant's sign and the Opponent's mark would be a misrepresentation by the Registrant likely to mislead the public as to a connection between the parties; and (iii) it is likely that the misrepresentation would cause the Applicant damage "*in the form of lost sales and possibly damage to reputation.*" The Applicant asserts that the mark should not have been granted and therefore requests that the Registrant's mark be removed in its entirety from the trade mark register.
14. The Registrant filed a Form TM8 defending against the invalidity action, strongly denying the section 5(4)(a) claim and arguing that the Applicant has failed to establish any component criterion for the tort of passing off. It argues, for example, that the Applicant has failed to provide evidence sufficient to show the necessary goodwill in the sign, and therefore the action must fail at the first hurdle.
15. A hearing in this case was not requested, but both parties provided written submissions in lieu of a hearing. I bear in mind the parties' various submissions and refer to them where appropriate in this decision.
16. The Applicant is represented in these proceedings by Virtuoso Legal Limited; the Opponent / Registrant represents itself. I make my decision based on a close reading of the papers before me and the applicable legal framework.
17. Since the mark relied on by the Opponent is itself under attack, I first consider the invalidity claim, since if the Opponent's mark is not valid the opposition cannot proceed.

² The relevant date is 23 December 2015, being the date from which the Registrant claims priority. See, for example, Mr Daniel Alexander QC, sitting as the Appointed Person at paragraph 43 of *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11.

The evidence

18. The Applicant filed evidence in February 2017 in defence of its opposition, and in May 2017 filed evidence in support of its application for a declaration of invalidity. The evidence presented is very largely the same in each instance, varying primarily in the focus of the submissions with the witness statement, and in the inclusion of an additional exhibit for the opposition.
19. *Witness statement by Matthew Parker* – Matthew Parker has been the Managing Director and majority shareholder of Sircus Limited (the Applicant) for around three years. His witness statement for the opposition is dated 1 February 2017 and gives his address in Bolton. The statement gives an account of its Exhibits MP01 – MP06, plus submissions contesting similarity of the respective marks and goods / services and a likelihood of confusion. His witness statement in the invalidity action is dated 9 May 2017 and “covers largely the same fact pattern as” his statement in relation to the opposition, giving an account of its (same) Exhibits MP01 – MP05. It also includes submissions around the components of passing off to support its invalidity action.
20. The witness statement explains that “as a result of the Applicant's marketing efforts, the first sales of stock under the Applicant's Mark started in August 2015.” The statement claims that “between August 2015 and December 2015, the Applicant made substantial sales of products and services under the Applicant's mark. In total, the Applicant made sales of over £160,000 under the Applicant's Mark, broken down as follows:

Month	Sales Total
July 2015	£14
August 2015	£10,519.38
September 2015	£9684.53
October 2015	£22,678.98
November 2015	£36,019.73
December 2015	£83,251.21

21. The witness statement adds that since December 2015 *“the Applicant has continued to make substantial sales and that going forward, the Applicant intends to continue building upon the BEYONDSOME brand's early successes.”*
22. *Exhibit MP01* – is an extract from “Whois.net” showing the registration of the domain name www.beyondsomes.co.uk on 24 October 2014, where the name of the "Registrant" is given as “Matt Parker Parker” at a (different) Bolton address. The statement explains that *“the website was launched in February 2015 to provide a sales medium for the Applicant's offering of bespoke clothing manufacturing and personalisation services to the public, both online and wholesale.”*
23. *Exhibit MP02* – is said to be an extract from Archive.Org showing use of the "BEYONDSOME" mark on the home page of the Applicant's website on 17 February 2015. The exhibit comprises 6 pages from <http://web.archive.org>, and shows a data capture for 17 February 2015 – 3 October 2016. The sign shown is the same as Sign 4 listed above, but with the suffix “.com”. The search box visible in the printout shows “www.beyondsomes.co.uk”. The exhibit shows different items of clothing, bearing images, including best seller t-shirts and Christmas jumpers for men, women and children, with prices from £5.99 to £14.99. The site includes the slogans: *“Beyondsomes is your one stop e-shop for all your personalised garment and gift needs and we provide something for every occasion!”*; *“Beyondsomes.com – fashion and personalised gifts at your fingertips. Part of the Sircus Clothing Network.”*
24. *Exhibit MP03* – is a printout of a page on Facebook, including the date of 15 July 2015 and again showing Sign 4 in combination with “.com” suffix *“part of the Sircus Network”*.
25. *Exhibit MP04* – is a printout of pages from ebay, with a print date of 1 February 2017. The exhibit shows Sign 4 in combination with “.com” suffix, but also Sign 2 (the mark applied for). The exhibit indicates some 36450 items for sale, 301 followers and 99.6% positive feedback from 28323 customers of beyondsomes. It shows further designs on clothing and other items, including a hooded sweatshirt priced at £18.99 and on a draw string gymnastics bag, priced £4.93. It indicates 283 items for sale under “clothing” and items for sale under different categories such as baby, toys and games, luggage, sports and outdoors.

26. *Exhibit MP05* – is provided in support of the sales claims made in the witness statement and is described as giving “*information from PayPal accounts data, Amazon accounts data, and Amazon Sales Dashboard Data linked to the Applicant's eBay page/Website and Amazon page respectively*”. The exhibit gives financial statements from PayPal in the name of Beyondsme in approximately the amounts below:

PAYPAL	Sales activity (£)	Payments received (£)
August 2015	10,320 credit	10,550
September 2015	9685 credit	9880
October 2015	18200	18600
November 2015	24500	24800
December 2015	18700	19900

27. The exhibit similarly gives financial statements from AMAZON SELLER CENTRAL EUROPE in the name of Beyondsme as follows:

14 August 2015	£14 balance
14 -28 August 2015	£180 balance
23 Oct – 6 Nov 2015	£4108 product charges gross
6 Nov – 20 Nov 2015	£10586 product charges gross
20 Nov– 4 Dec 2015	£26583 product charges gross
4 Dec – 18 Dec 2015	£33455 product charges gross

28. *Exhibit MP06* – is filed only in relation to the opposition and is two pages of results from a Google search by the Applicant for the term “Beyondsoft”, which the witness statement says relates to a multinational consulting company “*which is clearly not the Opponent or the mark relied on*” and from which the Applicant has been “*unable to confirm the exact trading sphere or markets of the Opponent, making it difficult to assess whether there would be a likelihood of confusion between the two brands*”. In the same vein, the witness statement says that the Applicant has “*never had a customer or member of the public mention the BEYONDSOFT mark – let alone be confused.*”

DECISION

The Application for a declaration of invalidity

29. Section 47(2)(b) of the Act provides that “*the registration of a trade mark may be declared invalid on the ground that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied, unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.*”
30. Section 5(4) of the Act states at paragraph (a) 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 by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade*”. The section also states that “*a person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.*”
31. The common law tort of passing off has been described³ as having three, cumulative, component parts as follows:
- (1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
 - (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
 - (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

³ See Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165, where the analysis of the law of passing off is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731.

Goodwill

32. Goodwill has been described⁴ as “*the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.*” As to establishing the necessary goodwill, I note the words of Pumfrey J. in *South Cone Incorporated v Jack Bessant*⁵, where he stated:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX) (1946) 63 R.P.C. 97* as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

33. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created

⁴ House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL)

⁵ *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC)

merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, section.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

34. However, a small business that has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its reputation may be small.⁶

35. I therefore consider the Applicant's evidence in the context of the legal principles and guidance outlined above and find as follows. Despite the small discrepancies in the name, address and domain suffix I am satisfied that the Applicant has, since October 2014, had a website domain in the name of beyondsome. I also accept that the Applicant had an ebay profile and that it offered items for sale before the relevant date. However, it is not entirely clear what the goods sold were - I think it likely that those goods included clothing and graphic images, but Exhibit MPO4 presents information from well after the relevant date and indicates retail categories that may include other items. I note that from the 1 August 2015 – 31 December 2015 the Applicant generated just over £80,500 pounds, but the detail and evidence provided does not make fully clear what sales activity generated that income.

⁶ See Millett J in *Stacey v 2020 Communications* [1991] FSR 49. See also: *Stannard v Reay* [1967] FSR 140 (HC); *Teleworks v Telework Group* [2002] RPC 27 (HC); *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590 (COA)

36. The Applicant submits that “as a result of the efforts of the Applicant in relation to the Applicant's Mark and the significant level of sales that followed, the Applicant has garnered a significant amount of goodwill in the Applicant's Mark to date” and submits that that is so even by 23 December 2015, the date of the Registrant's application to register its priority Benelux trade mark.
37. I find that the increasing sales figures given do become reasonably substantial, but those figures account only for five months' activity – more a “new business at its first start” than an “old-established business” - although that factor may not be decisive, and the business may have continued its growth subsequently.
38. The guidance indicates that reputation comes primarily from the trade and the public, supported by evidence of the extent of use. The evidence presented includes no reviews, awards or articles supporting the contention of a reputation. I note the indication of consistently positive reviews on ebay and the presence of followers, but as I have mentioned that evidence is from after the relevant date and there is some lack of clarity as to the sales behind the positive profile.
39. I note the printout of a Facebook page, and there is evidence that the Applicant offered goods for sale via ebay, possibly Amazon too and perhaps through its beyondsome website (although there is no evidence of sales through the latter). Although there is some evidence that the Applicant has used its beyondsome name and related signs in relation to selling clothing and graphic images, the evidence includes no information on promotional spend and advertising.
40. All things considered, I am not satisfied that the Applicant has demonstrated that at the relevant date it had goodwill of more than a trivial level in its signs. However, in case I am wrong about that, since I am willing to accept that any goodwill arising may be associated with “clothing”, which appears in both parties' specifications, I will go on to consider the next of the cumulative criteria for passing off.

Misrepresentation

41. Halsbury's Laws of England⁷ gives the following guidance with regard to establishing the likelihood of deception or confusion:

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

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and*
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected. While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.*

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

- (a) the nature and extent of the reputation relied upon;*
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;*
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;*
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and*

⁷ (4th Edition) Vol. 48 (1995 reissue) at paragraphs 184 to 188

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

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

42. Case law⁸ makes clear that the question on the issue of deception or confusion is whether, on a balance of probabilities, it is likely that, if Party A were not restrained by the law of passing off, a substantial number of members of the public would be misled into purchasing the Party A’s goods in the belief that they were Party B’s goods.
43. Both parties overlap in their field of activity inasmuch as their respective specifications include “clothing”. However, there is thin evidence as to the nature and extent of the reputation relied upon and when I bear in mind the differences between the mark/signs at issue (as between “some” and “soft”), I do not find it likely that a substantial number of members of the public would be deceived, misled or confused as to the source of the goods or a connection between the parties. I therefore find no misrepresentation, no consequent damage and no passing off. **The Applicant therefore fails in its application for a declaration of invalidity.** The Opponent/Registrant’s challenged mark therefore remains available for the purposes of the opposition to the Applicant’s mark.

⁸ See Morrill L.J. in *Neutrogena Corporation and Another v Golden Limited and Another*, [1996] RPC 473, citing *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407, and referencing *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175; *Re Smith Hayden’s Application* (1945) 63 R.P.C. 97 at page 101; and Halsbury’s Laws of England 4th Edition Vol.48 para 148.

The Opposition

44. The Opponent's claim is based on section 5(2)(b) of the Act, which states:

"... 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."

45. Section 6 of the Act explains what is meant by an "earlier trade mark" and the relevant parts are set out below:

"6(1) In this Act an "earlier trade mark" means—

(a) a registered trade mark, international trade mark (UK) European Union trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(b) [...]

(ba) [...]

(c) [...]

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.

(3) [...]"

46. Since the Opponent's Benelux mark was filed earlier than the Applicant's mark, the Opponent has a valid earlier mark. Since the Opponent's earlier trade mark had not been registered for more than five years when the Applicant's mark was published for

opposition, the earlier mark is not subject to the proof of use provisions under section 6A of the Act.

47. The following decisions of the EU courts provide the principles to be borne in mind when considering section 5(2)(b) of the Act:

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.

48. The principles are that:

- (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 the goods and services

49. Noting Exhibit MP06 and the Applicant's related points in its witness statement, it should be noted that the Opponent has a period of five years from registration to make use of its trade mark for the purposes registered. My task of comparing the goods services must be made on the basis of notional and fair use of the goods in the parties' respective specifications. In *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, Kitchin L.J. stated that:

“78. ... the court must.... consider a notional and fair use of that mark in relation to all of the goods or services in respect of which it is registered. Of course it may have become more distinctive as a result of the use which has been made of it. If so, that is a matter to be taken into account for, as the Court of Justice reiterated in Canon at paragraph [18], the more distinctive the earlier mark, the greater the risk of confusion. But it may not have been used at all, or it may only have been used in relation to some of the goods or services falling within the specification, and such use may have been on a small scale. In such a case the proprietor is still entitled to protection against the use of a similar sign in relation to similar goods if the use is such as to give rise to a likelihood of confusion.”

50. In *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*, Case C-533/06, the Court of Justice of the European Union (CJEU) stated at paragraph 66 of its judgment that when assessing the likelihood of confusion under section 5(2) it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered. In *Oakley v OHIM* (Case T-116/06) it is made clear that consideration of likelihood of confusion is prospective and not to be restricted to the current marketing or trading patterns of the parties:

“...Since the particular circumstances in which the goods covered by the marks are marketed may vary in time, and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion between two marks, ... cannot be dependent on the commercial intentions, whether carried out or not – and which are naturally subjective – of the trade mark proprietors ...”

51. The goods and services to be compared are:

Applicant's goods	Opponent's goods and services
<p>Class 16: <i>Graphic representations</i></p>	<p>Class 25: <i>Clothing; footwear; headgear; swimwear; sportswear; leisurewear</i></p>
<p>Class 25: <i>Clothing</i></p>	<p>Class 41: <i>Organizing and presenting displays of entertainment relating to style and fashion; organization of fashion shows for entertainment purposes; arranging of exhibitions for cultural purposes; organizing and arranging exhibitions for entertainment purposes</i></p>

52. The specifications of both parties include “clothing” in class 25. Those goods are clearly identical.

53. The Opponent contends in its statement of grounds that its goods and services are “highly similar” to the Applicant’s graphic representations in class 16. It submits that *“it is commonplace that the services in class 41 of the earlier mark would include, as a significant component of “presentation and display of entertainment” the use of “graphic representations” to display content. For example within brochures, event promotional fliers or leaflets or other types of signage.”* It contends that its services and the Applicant’s class 16 goods are *“complementary in the sense that there is a connection between them, that one is important or significant for the use of the other in such a way that the relevant public may think that responsibility for the production of the goods or provision of the services lies with the same undertaking.”*

54. The Opponent also contends that graphic representations in class 16 can be seen as complementary to “clothing” in class 25 of earlier mark, because it is customary in the clothing industry for graphic logos or images to be printed on clothing in line with design objectives of producers and manufacturers. Thus, it is argued, the relevant public might believe that the goods and services in question come from the same undertaking, or economically linked undertakings so as to give rise to a likelihood of confusion.

55. The Opponent submits that the goods and services are sold through same distribution channels such that the consumer may more likely assume common source. It says that graphic representations (class 16) may be available for sale in the form of clothing and therefore in the same shops or points of sales as clothing of the earlier mark. Likewise, graphic representations may be depicted at events such as *fashion shows, cultural or entertainment exhibitions* and therefore confuse the relevant public as to the origin of the goods / services.
56. Having noted the above points from the Opponent, I take account of the factors identified by the CJEU in *Canon*, Case C-39/97⁹, where at paragraph 23 of its judgment it states that:
- “In assessing the similarity of the goods all the relevant factors relating to those goods .. themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.*
57. In the *Treat*¹⁰ case, Jacob J. (as he then was) identified that the relevant factors for assessing similarity also include the respective users of the respective goods or services and the trade channels through which the goods or services reach the market. He also stated that an inquiry into the extent to which the respective goods or services are competitive 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.
58. I also take note that In *Kurt Hesse v OHIM*¹¹, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific*¹², the General Court described goods as “complementary” in circumstances where “... *there is a close connection between [the goods], in the sense that one is indispensable or important for the use of the other in such*

⁹ *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the CJEU stated at paragraph 23 of its judgment.

¹⁰ *British Sugar Plc v James Robertson & Sons Limited* (“Treat”) [1996] R.P.C. 281

¹¹ *Case C-50/15 P*

¹² *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

a way that customers may think that the responsibility for those goods lies with the same undertaking”.

59. I find that although graphic representations may be applied to clothing (just as they may to bags and various other things) they differ in nature, essential intended purpose and their method of use. They are not really in competition with each other, nor are clothing and graphic representations indispensable for the use of the other. However, it is clearly commonplace to apply graphic representations to clothing and there is some commonality in the respective users and the trade channels through which the goods or services reach the market. I find a low degree of similarity between graphic representations and clothing.
60. As to the comparison between graphic representations and the Opponent’s services, although graphic representations may feature within such *exhibitions and fashion shows*, they do not have the same nature, purpose or their method of use, are not in competition with each other. There may be a degree to which they are complementary and share respective users and the trade channels, but I find a low degree of similarity overall.

The average consumer and the nature of the purchasing act

61. It is necessary to determine who is the average consumer for the goods and services at issue and how the consumer is likely to select them.
62. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect

... the relevant person is a legal construct and ... 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...”

63. It must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question (*Lloyd Schuhfabrik Meyer, Case C-342/97*).
64. The average consumer for the goods in classes 16 and 25 will be a member of the general public. When choosing clothing, the average consumer will likely pay a reasonable level of attention in order to be satisfied as to quality, fit and style. When choosing a graphic representation, the average consumer will pay a reasonable level of attention, at least to satisfy itself that the image is suitable and meets the consumer's needs.
65. The average consumer for the services in class 41 may include the general public, but will especially include fashion retailers or designers wishing to show their wares, or arts and cultural bodies wishing to disseminate knowledge in an engaging way. I would expect an above average level of attention in selecting such services.
66. The purchasing act for the goods and services will be primarily visual in that the trade marks may be seen on websites or in advertising materials promoting the sale of the graphic representations, on the label or other parts of the clothing goods, and potentially on any *business signage or promotional materials for the provider of the services in class 41*. However, word of mouth recommendations are also likely to play some part in the selection process, so the way the marks sound is also relevant.

Comparison of the marks

67. It is clear from *Sabel* 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 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.”

68. It would therefore be wrong to dissect the trade marks artificially, but it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are shown below:

<p>Applicant’s contested trade mark</p>	
<p>Opponent’s earlier trade mark</p>	<p>Beyondsoft</p>

69. In considering the overall impression of the Applicant’s mark, one is struck by the large, red, vertically oriented rectangle device, containing a curving thick white line, which loosely resembles a lower case letter “b”. One also notices the single word “BEYONDSOME” presented in capitals below the device. The word uses a font that is unusual but not remarkable in its stylisation. The word is not one found in any standard English dictionary and has no clear meaning, although it may readily be recognised as being effectively two words conjoined – “beyond” and “some”. Since the word is perfectly visible within the mark, and since the average consumer may perceive and refer to the mark by that pronounceable word component, I find that the word makes an important contribution to the overall impression. However, given the striking presence of the device, which is several times larger than the word component, which sits below it, I find that the device is at least as important as the word in the overall impression of the mark.

70. As to the Opponent’s mark, its overall impression rests solely in the single word “Beyondsoft”, presented in title case, with no stylistic embellishment or device. The word appears in no standard English dictionary and has no clear meaning, although it may

readily be recognised as being effectively two common words conjoined – “beyond” and “soft”.

Visual similarity

71. The marks differ notably in that the Applicant’s mark has a large and striking device, entirely absent from the Opponent’s mark. The word components of the marks are in different cases, but the Opponent’s mark is applied for in standard characters and therefore includes use in upper and lower case. I do not think the average consumer would anyway especially note any font differences between the word components. The word in each mark has ten letters, the first eight of which are the same letters in the same order. Put another way, the words differ only in their final two letters – “ft” and “me” respectively - but I do not think that the average consumer would overlook that difference between the words. Overall I find the two marks are visually similar to a low degree.

Aural similarity

72. Since the device in the Applicant’s mark will not be voiced, the aural comparison is between “BEYONDSOME” and “BEYONDSOFT”. The first two syllables, making up the shared word component “beyond” are identical and the third syllable begins with an “s” in each case. However the difference between the full sounding of the third syllable “sum” (some) and “sofft” (soft), is quite distinct. Overall, I find that the marks are aurally similar to a low to medium degree.

Conceptual similarity

73. Both words contain the familiar word “beyond”, which may commonly signify, for example, *more than, surpassing, or at or to the further side of*. The average consumer would understand the word in the same way in both marks. The Opponent’s mark would likely be understood as signifying “more than or surpassing soft”, which in relation to the Opponent’s clothing items, may possibly be taken to refer to something in their quality or nature. Or it may just be seen as a phrase word without meaning – certainly in relation to the Opponent’s services, the word seems to carry no concept.

74. The Applicant's mark could signify being "greater than some" or conceivably suggest having a 'quality of surpassing' – on the model of a word like "awesome". However, I find the average consumer would see it as a word with no clear meaning. The average consumer would perceive the thick white curving line within the red rectangle as representing a lower case "b" - the first letter of the Applicant's word "beyondsome".
75. Since neither mark has a clear meaning, or at any rate such meaning as may be found is different, I find that there is little or no conceptual similarity, other than that stemming from the shared common word component. Overall, noting that the Opponent's mark has no device at all, I find the marks conceptually dissimilar or conceptually similar only to a low degree.

Distinctive character of earlier trade mark

76. The distinctive character of an earlier mark must be considered, since the more distinctive the earlier mark, either by inherent nature or by use, the greater may be the likelihood of confusion (*Sabel BV v Puma AG*). The distinctive character of a trade mark can be appraised only, first, by reference to the goods/services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public.¹³
77. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

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

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element

¹³ *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91

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).”

78. Since there is no evidence of use, I have only the inherent distinctiveness of the earlier mark to consider. I have mentioned that the Opponent’s mark “Beyondsoft” could conceivably be seen as allusive to a quality of some of its goods in class 25, but I have no evidence before me on that and I do not factor it here. I find the earlier word mark has at least an average degree of inherent distinctiveness for the Opponent’s goods and services.

Conclusion as to likelihood of confusion

79. I make a global assessment of likelihood of confusion that takes account of my findings set out in the foregoing sections of this decision and of the various principles from case law outlined in paragraphs 47 and 48 and elsewhere in this decision.

80. Confusion can be direct (which in effect occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same, but puts the similarity that exists between the marks/services down to the responsible undertakings being the same or related).

81. Earlier in this decision I concluded that:

- the parties’ specifications are identical in respect of clothing, but there is a low degree of similarity in respect of the Applicant’s graphic representations;
- the average consumer of the goods and services at issue include members of the public and professionals such as retailers or designers;

- in selecting the goods and services at issue, visual considerations tend to predominate but aural considerations are also relevant;
- the average consumer will pay a reasonable degree of attention in selecting the goods at issue and an above average level of attention in selecting such services;
- the overall impression and distinctiveness of the Opponent's trade mark lies in the single word that is that earlier mark, whereas the overall impression conveyed by the Applicant's trade mark involves its device as much as its word component;
- the Opponent's earlier trade mark is inherently distinctive to at least an average degree;
- between the marks there is only a low degree of visual similarity, a low to medium degree of aural similarity and little or no conceptual similarity.

82. When I weigh in the balance all of the above factors, I find no likelihood that the average consumer, well informed and reasonably circumspect and observant, encountering the respective marks, will assume that the goods and services at issue are provided by the same or related undertaking. **Consequently, the opposition on the basis of section 5(2)(b) fails.**

COSTS

83. The Applicant has failed in its application for a declaration of invalidity, but the Opponent has failed in its opposition to the Applicant's application to register its Beyondsome trade mark. In the circumstances I find that each party should bear its own costs.

Dated this 8th day of January 2018

Matthew Williams
For the Registrar
