

O-109-18

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No. 3171154
BY CLAIRE HARRISON
TO REGISTER THE TRADE MARK**



IN CLASS 20

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 408090 BY
MS ASHLEY NEMES**


BACKGROUND

1) On 23 June 2016, Claire Harrison (hereinafter the applicant) applied to register the trade mark shown on the front page of this decision in respect of the following goods:

- In Class 20: Mattresses [other than child birth mattresses]; Mattresses (Spring -); Mattresses (spring-); Mattresses ; Mattresses.

2) The application was examined and accepted, and subsequently published for opposition purposes on 16 September 2016 in Trade Marks Journal No.2016/038.

3) On 21 December 2016 Ms Ashley Nemes (hereinafter the opponent) filed a notice of opposition. The opponent is the proprietor of the following trade mark:

Mark	Number	Dates of filing & registration	Class	Specification relied upon
 <p>A series of three marks</p>	3093797	11.02.15 12.06.15	20	Furniture; bedroom furniture; mirrors; beds; water beds; divans; bedsteads; headboards; bedding, other than bed linen; pillows; mattresses; open spring and pocket spring mattresses; memory foam and latex mattresses; futons; air cushions and air pillows; air mattresses; sleeping bags; bed casters not of metal; bed fittings not of metal; chairs; armchairs; cabinets; chests of drawers; desks; footstools; cots and cradles; parts and fittings for all the aforesaid goods. sofas, chairs; chests; dressers; bookcases; trolleys (furniture); hostess trolleys; sideboards; desks; stools; work

				stations; beds; sofa beds; bunk beds; bedroom furniture; pillows; garden furniture; garden benches; cupboards; wardrobes; tables; kitchen furniture; compact disc racks and holders; curtain rails, curtain poles, curtain rings; blinds; mirrors, picture frames; figurines, ornaments, models and works of art, all made of wood, wax, plaster or plastic; goods (not included in other classes) of wood, cork, reed, cane and substitutes for all these materials, or of plastics; parts and fittings for all the aforesaid goods, all included in Class 20.
SIMPLY BEDS SIMPLY BEDS & BEDROOM FURNITURE A series of two marks.	3093802	11.02.15 12.06.15		Furniture; bedroom furniture; mirrors; beds; water beds; divans; bedsteads; headboards; bedding, other than bed linen; pillows; mattresses; open spring and pocket spring mattresses; memory foam and latex mattresses; futons; air cushions and air pillows; air mattresses; sleeping bags; bed casters not of metal; bed fittings not of metal; chairs; armchairs; cabinets; chests of drawers; desks; footstools; cots and cradles; parts and fittings for all the aforesaid goods. Furniture and parts and fittings therefor; sofas, chairs; chests; dressers; bookcases; trolleys (furniture); hostess trolleys; sideboards; desks; stools; work stations; beds; sofa beds; bunk beds;

				bedroom furniture; pillows; garden furniture; garden benches; cupboards; wardrobes; tables; kitchen furniture; compact disc racks and holders; curtain rails, curtain poles, curtain rings; blinds; mirrors, picture frames; figurines, ornaments, models and works of art, all made of wood, wax, plaster or plastic; goods (not included in other classes) of wood, cork, reed, cane and substitutes for all these materials, or of plastics; parts and fittings for all the aforesaid goods, all included in Class 20.
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- a) The opponent contends that its marks and the mark applied for are very similar and that the goods applied for are identical / similar to the goods for which the earlier marks are registered. As such the mark in suit offends against Section 5(2)(b) of the Act.
- b) The opponent also contends that it has used its marks since 2002. It states that the similarity between the marks and businesses is such that there is a likelihood of consumers assuming a link. It contends that this will enable the applicant to take unfair advantage of the opponent's reputation and free ride on its investment in promoting and advertising the brand. Use of the mark in suit will dilute and tarnish the reputation of the opponent. It contends that the mark in suit offends against section 5(3) of the Act.
- c) As a result of the use made of the registered marks since 2002 the opponent has acquired a substantial amount of goodwill and reputation in its marks in the UK in relation to furniture including beds and mattresses such that the average consumer will assume that the goods of the applicant are those of the opponent or linked to them and therefore misrepresentation will occur. The mark in suit therefore offends against section 5(4)(a) of the Act.
- 4) On 9 February 2017 the applicant filed a counterstatement, basically stating that she has been using the mark for eight years along with another mark "Beds on legs". She states that the marks and

goods are not similar and that she cannot find a website for the opponent. She puts the opponent to strict proof of use.

5) Both parties filed evidence. Both parties seek an award of costs in their favour. Neither side wished to be heard. Only the opponent provided written submissions which I shall refer to as and when necessary in my decision.

OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 19 April 2017, Ashley Nemes the Managing Director of Simply Beds a position she has held since 2008. She states that the mark SIMPLY BEDS has been used by her company since 2002 in the UK in connection with the sale of goods in class 30 for which the mark is registered in both plain script and with a device element. She states that the opponent is one of the largest independent bed specialists in the UK. It is a family owned business with over thirty years' experience in the industry. The opponent sells its goods from three stores in Catterick, Ripon and Northallerton all of which are in North Yorkshire. The stores opened in 2002, 2006 and 2008 respectively. She states that the opponent has sent out mail shots and advertised in newspapers and magazines in the Yorkshire area such as the *North Yorkshire News*, *Northern Echo*, *North Yorkshire Advertiser*, *Harrogate Advertiser*, *Ripon Gazette*, *Darlington and Stockton Times*, *Review Ripon* and *Living North Yorkshire*. The opponent also advertised upon billboards, on airships and roundabouts. It also advertises on local radio, via its website, social media, its vehicle, staff uniforms, stationery and leaflets. She provides the following turnover and advertising figures:

Year	Turnover £	Advertising £
2010-2011	754,483	n/a
2011-2012	759,958	29,665
2012-2013	830,275	29,284
2013-2014	1,101,195	32,286
2014-2015	1,191,491	31,123
2015-2016	1,349,636	43,040
2016-2017	1,427,023	46,265

7) Ms Nemes disputes that the applicant has used its mark since 2008 as claimed in the counterstatement. At exhibit AM1 she provides copies of the applicant's website etc. which suggests the mark was first used considerably later. She provides the following exhibits:

- AM1: This includes copies from the applicant's website blog "Beds on Legs" and from the Simply Mattresses' Facebook page. These are dated October & November 2016 and state "We have just introduced a rather special mattress to our range. "Simply Mattress" is exclusive to Beds on Legs and has been created with everyone in mind"; also "To launch Simply Mattress on our friends website Beds on Legs, we are giving away a free Simply "cool Gel" Mattress worth £500 or more" and "Visit our friends brand spanking new Facebook page "Simply Mattress..".
- AM2: This is said to have within it copies of invoices relating to five mail campaigns promoting its SIMPLY BEDS brand in 2014, 2016 and 2017. However, page 9 relates to billboard advertisements dated 14 July 2009. Pages 2, 3 & 7 show invoices for mailed advertisements dated 1 October 2014, 23 August 2016 and 13 September 2016 respectively. They refer to mailings of 12,000; 10,000 and 5,000 envelopes at a cost of £6,705, £5,583 & £1,992. These three invoices are addressed to "Simply Beds and Simply Furniture". Pages 4-6 inclusive relate to two mailings of 10,000 and 8,000 costing £6,204 & £4,320; dated 28 February 2017 and 1 March 2017, both addressed to "Simply Beds". Page 8 is dated 15 March 2017 addressed to "Simply Beds" and relates to three advertisements in the North Yorkshire News at a cost of £702.
- AM3: Sample copies of invoices relating to advertisements in newspapers between 2002 and 2015. The six invoices are all addressed to "Simply Beds". Pages 4-7 inclusive are dated between 11 June 2002 and 12 April 2003 and refer to advertisements Yorkshire newspapers. Pages 2 & 3 are dated 15 March 2017 and 17 March 2017; both relate to advertisements in Yorkshire newspapers.
- AM4: Examples of the advertisements as published. The seventeen pages appear to include not only newspaper advertisements but also pages from Facebook. All of the newspaper advertisements show use of mark 3093797, but only one (page 3) is dated 22 February 2016.

- AM5: Copies on invoices relating to advertising on billboards. Pages 2-15 relate to an advertising campaign between 30 December 2013 and 29 June 2014 costing £4,302. Page 20 relates to an advertising campaign between 16 November 2015 and 13 December 2015 costing £538. Pages 16-17 relate to an advertising campaign between 24 August 2015 and 13 March 2016 costing £3,900. Pages 18-19 relate to an advertising campaign between 26 September 2016 and 9 April 2017 costing £4,509.
- AM6: Photographs of the company vehicle and staff uniforms dated 19 April 2017 showing use of mark 3093797.
- AM7: Samples of stationery and leaflets used since 2002 to date. The only visible dates are in 2002.
- AM8: Copies of labels attached to goods and in use since 2002. These are undated and show use of mark 3093797.
- AM9: Information regarding the Sleep Council, a UK trade association for British bed manufacturers. It features the opponent amongst other retailers.
- AM10: Examples of invoices to customers. The three invoices are dated 14 April 2002 (£214); 5 January 2016 (£1,415) and 18 March 2017 (£1,197). All show use of mark 3093797.

APPLICANT'S EVIDENCE

8) The applicant, Ms Harrison, filed a witness statement dated 6 September 2017. In her statement she states that she is a director of Beds on Legs Ltd a position she has held since 2009 and she states that she is authorised to speak on behalf of her company. She claims that the mark "Simply Mattress" was first used in 2008 on its www.simplymattress.co.uk website, and that since this time it has been used to sell mattresses throughout the UK. She states that in 2016 they rebranded the website and designed and developed a product called Simply Mattress with the trade mark upon it. She states "We are one of the largest independent bed specialists in the UK and are a family owned company with over 25 years' experience in the bed industry. She states that the company is mainly an online retailer but does have a showroom in Hull which it has owned for twenty-five years. All sales and distribution are carried out from the Beds on legs Ltd premises in Hull. She states that the two

websites www.bedsonlegs.co.uk and www.simplymattress.co.uk were launched in 2004 and 2008 respectively. She states that the company used to sell a number of well-known brands of mattress such as Sealy, Silentnight, Sleepzee and Rest Assured but, in 2016 decided to launch an “own brand” called SIMPLY MATTRESS. A design company (The Northern Foundry) was engaged to produce a logo and also to update the website and they worked with a mattress manufacturer to come up with a unique mattress. In 2016 the new product was announced on Facebook. She contends that the typeface used in their mark is also unique. She states that the company now only offers one mattress for sale, its own which she contends is unique to the company having been specifically designed and manufactured for the company. She states that the company sells only on-line and does not advertise other than via the internet. She compares this to the opponent who refer customers to its shops. She provides the following sales and advertising figures for “simply Mattresses and Beds on Legs Ltd, although does not state what marks were used on whether sales were restricted to the UK.

Year	Sales £	Advertising £
2012	2,733,941	175,432
2013	2,516,372	165,780
2014	2,282,425	172,909
2015	2,409,020	210,573
2016	1,743,368	144,606

9) She provides the following exhibits:

- CH1 & 2: Confirmation from WHOIS regarding the websites www.bedsonlegs.co.uk and www.simplymattress.co.uk showing that these were registered on 4 November 2003 and 29 April 2008 respectively.
- CH3 & 4: Copies of two invoices, dated January and April 2009, headed Simply Mattress in respect of the sale of two mattresses.
- CH5: This shows a number of logos said to have been used on the Simply Mattress website. It shows five logos, all of which include the words SIMPLY MATTRESS, and three of them include the words “in association with beds on legs”.

- CH6: This consists of an email, dated 24 April 2017, from The Northern Foundry confirming that the logo is made up of different fonts and then manipulated slightly to achieve the end result.
- CH7: This shows a photograph of the instant mark on a mattress.
- CH8: This is a profile of the company which states: “Simply Beds are North Yorkshire’s largest independent bed and bedroom furniture specialists. We are a family owned company with over thirty years’ experience in the industry.”
- CH12-15: Invoices for the management of the websites www.bedsonlegs.co.uk and www.simplymattress.co.uk which are addressed to Beds on Legs Ltd.

OPPONENT’S EVIDENCE IN REPLY

10) The opponent filed a witness statement, dated 31 October 2017, by Ms Nemes who has provided evidence already in this case. She provides various exhibits and contends that the mattresses sold by Simply Mattresses are in fact commonly available through the Chinese manufacturer and are sold by the opponent. She makes various other points regarding the applicant’s evidence which do not assist my decision.

APPLICANT’S FURTHER EVIDENCE

11) The applicant filed a witness statement, dated 18 November 2017, by Ms Harrison who has already filed evidence in this case. Ms Harrison takes issue with the opponent’s contention regarding whether the mattress sold by her company is unique. This issue is not one which is germane to my decision.

12) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

13) The first ground of opposition is under section 5(2)(b) which reads:

“5.-(2) A trade mark shall not be registered if because -

(a)

(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.”

14) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark 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.”

15) The opponent is relying upon its trade marks listed in paragraph 3 above which are clearly earlier trade marks. Given the interplay between the date that the opponent’s marks were registered (both 12 June 2015) and the date that the applicant’s mark was published (16 September 2016), the proof of use requirements do not bite.

16) When considering the issue under section 5(2)(b) I take into account the following principles which 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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing decision

17) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

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

18) The goods at issue in these proceedings are mattresses. The average consumer for such goods will be the public at large including businesses such as hotels etc. The goods at issue will typically be offered for sale in retail outlets, in brochures and catalogues as well as on the internet. The initial selection is therefore primarily visual. I accept that more expensive mattresses may, for example, be researched or discussed with a member of staff or even be made to measure. The latter, along with personal recommendations, bring aural considerations into play. Considered overall, the selection process is likely to be predominantly a visual one, although I accept that aural considerations will also play their part. Turning now to the level of attention the average consumer will display when selecting the goods, the average cost of a mattress is not insignificant but rarely, in my experience, goes over a thousand pounds. However, as ensuring that you get the correct mattress is crucial to sleep the

average consumer will, **in my view, be likely to pay at least a medium degree of attention to the selection of the goods at issue.**

Comparison of goods

19) In the judgment of the Court of Justice of the European Union (CJEU) in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

20) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) 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.

21) The applicant's full specification is “In Class 20: Mattresses [other than child birth mattresses]; Mattresses (Spring -); Mattresses (spring-); Mattresses ; Mattresses”. Whilst the opponent's marks


both contain the term “mattresses”. **The opponent’s specification clearly encompasses that of the applicant and so the goods of the two parties are identical.**


Comparison of trade marks

22) 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 them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

Opponents’ trade marks	Applicant’s trade mark
<p>3093797</p>  <p>A series of three marks</p>	

<p>3093802</p> <p>SIMPLY BEDS</p> <p>SIMPLY BEDS & BEDROOM FURNITURE</p> <p>A series of two marks.</p>	
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24) Clearly, the dominant and distinctive element in the applicant’s mark is the word “Simply” as the second word “mattress” will be seen as purely descriptive of the products for which it is sought to be registered which are mattresses. Similarly, the opponent’s marks all contain as their first element the word “Simply”. They also have the words “beds” or “beds and bedroom furniture”. Again the additional words in the opponent’s marks will be viewed by the average consumer as being descriptive of the products for which the marks are registered. The word “Simply” in the applicant’s mark has a degree of stylisation in that it is “handwritten”. The opponent’s mark 3093797 has a device element of three stars and is also written in an undulating manner. The opponent’s mark 3093802 is all in capital letters. Visually there are differences but these are far outweighed by the similarities. Aurally there are differences but the first word in all of the marks is identical, the marks are aurally similar to at least a medium degree. Conceptually, the marks of the two parties all provide the same message that the mattresses, beds and furniture are from “Simply”. **Overall the opponent’s mark 3093802 must be considered to be highly similar to that of the applicant, whilst the opponent’s mark 3093797 must be considered to be similar to at least a medium degree.**

Distinctive character of the earlier trade mark

25) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

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

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

26) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

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

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

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

27) The opponent's marks all have as their first element the word "Simply". Whilst they also contain other words "Beds" and "beds & bedroom furniture" these additional elements are all descriptive of the products on which the marks are used. The device elements in 3093797 of the wording being undulating and three stars placed above the word "Beds" do not detract from the standard English but distinctive word "simply". To my mind, the opponent's marks are **inherently distinctive to a low degree. The opponent has shown use of its mark but it is not sufficient for it to benefit from enhanced distinctiveness.**

Likelihood of confusion

28) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer for the goods is the general public including businesses who will select the goods by predominantly visual means, although not discounting aural considerations and that the degree of care and attention they pay will vary depending upon the cost of said goods. They are, however, likely to pay at least a medium degree of attention to the selection of such goods.
- the opponent's mark 3093802 is highly similar to that of the opponent, whilst the opponent's mark 3093797 is similar to at least a medium degree.

- the opponent's marks are inherently distinctive to a low degree. The opponent has shown use of its mark but it is not sufficient for it to benefit from enhanced distinctiveness.
- the goods of the two parties are identical.

29) In view of the above, and allowing for the concept of imperfect recollection, there is a likelihood of consumers being confused into believing that the goods applied for under the mark in suit and provided by the applicant are those of the opponent or provided by some undertaking linked to it. **The opposition under Section 5(2) (b) therefore succeeds in full.**

30) However, the applicant has pleaded honest concurrent use claiming that she has used her mark since 2008 without confusion. In considering this issue I take into account the views of the Court of Justice of the European Union (CJEU) in *Aceites del Sur-Coosur SA v OHIM*, Case C-498/07 P, where it found that:

“82. First, although the possibility cannot be ruled out that the coexistence of two marks on a particular market might, together with other elements, contribute to diminishing the likelihood of confusion between those marks on the part of the relevant public, certain conditions must be met. Thus, as the Advocate General suggests at points 28 and 29 of his Opinion, the absence of a likelihood of confusion may, in particular, be inferred from the ‘peaceful’ nature of the coexistence of the marks at issue on the market concerned.

83. It is apparent from the file, however, that in this case the coexistence of the La Española and Carbonell marks has by no means been ‘peaceful’ and the matter of the similarity of those marks has been at issue between the two undertakings concerned before the national courts for a number of years.”

31) I also take into account the findings of the CJEU in *Budejovicky Budvar NP v Anheuser-Busch Inc*, Case C-482/09, where it held that:

“74. In that context, it follows from the foregoing that Article 4(1)(a) of Directive 89/104 must be interpreted as meaning that a later registered trade mark is liable to be declared invalid where it is identical with an earlier trade mark, where the goods for which the trade mark was registered are identical with those for which the earlier trade mark is protected and where the use of the later

trade mark has or is liable to have an adverse effect on the essential function of the trade mark which is to guarantee to consumers the origin of the goods.

75. In the present case, it is to be noted that the use by Budvar of the Budweiser trade mark in the United Kingdom neither has nor is liable to have an adverse effect on the essential function of the Budweiser trade mark owned by Anheuser-Busch.

76. In that regard, it should be stressed that the circumstances which gave rise to the dispute in the main proceedings are exceptional.

77. First, the referring court states that Anheuser-Busch and Budvar have each been marketing their beers in the United Kingdom under the word sign 'Budweiser' or under a trade mark including that sign for almost 30 years prior to the registration of the marks concerned.

78. Second, Anheuser-Busch and Budvar were authorised to register jointly and concurrently their Budweiser trade marks following a judgment delivered by the Court of Appeal (England & Wales) (Civil Division) in February 2000.

79. Third, the order for reference also states that, while Anheuser-Busch submitted an application for registration of the word 'Budweiser' as a trade mark in the United Kingdom earlier than Budvar, both of those companies have from the beginning used their Budweiser trade marks in good faith.

80. Fourth, as was stated in paragraph 10 of this judgment, the referring court found that, although the names are identical, United Kingdom consumers are well aware of the difference between the beers of Budvar and those of Anheuser-Busch, since their tastes, prices and get-ups have always been different.

81. Fifth, it follows from the coexistence of those two trade marks on the United Kingdom market that, even though the trade marks were identical, the beers of Anheuser-Busch and Budvar were clearly identifiable as being produced by different companies.

82. Consequently, as correctly stated by the Commission in its written observations, Article 4(1)(a) of Directive 89/104 must be interpreted as meaning that, in circumstances such as those of the main proceedings, a long period of honest concurrent use of two identical trade marks designating identical products neither has nor is liable to have an adverse effect on the essential function of the trade mark which is to guarantee to consumers the origin of the goods or services."

32) In *Victoria Plum Ltd v Victorian Plumbing Ltd* [2016] EWHC 2911 (Ch), Carr J. considered the CJEU's judgment in *Budejovicky Budvar NP v Anheuser-Busch Inc.* and the Court of Appeal's judgments in that case and in *IPC Media Ltd v Media 10 Ltd*, [2014] EWCA Civ 1403, and stated that a defence of honest concurrent use could, in principle, defeat an otherwise justified claim of trade mark infringement. Having reviewed the case law the judge stated that:

"74. The case law to which I have referred establishes the following principles:

- i) Where two separate entities have co-existed for a long period, honestly using the same or closely similar names, the inevitable confusion that arises may have to be tolerated.
- ii) This will be the case where the trade mark serves to indicate the goods or services of either of those entities, as opposed to one of them alone. In those circumstances, the guarantee of origin of the claimant's trade mark is not impaired by the defendant's use, because the trade mark does not denote the claimant alone.
- iii) However, the defendant must not take steps which exacerbate the level of confusion beyond that which is inevitable and so encroach upon the claimant's goodwill."

33) In assessing whether the defendant had acted honestly the judge directed attention to the following factors:

- i) The defendant has a duty to act fairly in relation to the legitimate interests of the trade mark proprietor.
- ii) All circumstances must be considered when ascertaining whether or not the use by the defendant is honest, including whether the defendant can be regarded as unfairly competing with the trade mark proprietor.
- iii) However, the question is not simply whether use of the sign complained of gives rise to consumer deception, as such deception may have to be tolerated. Similarly, the defendant may well be aware of the existence of such confusion, having lived with it for a considerable period.
- iv) The question is whether the defendant has taken steps which exacerbate the level of confusion beyond that which is inevitable and so has encroached upon the claimant's goodwill.
- v) Whether the defendant ought to be aware that such steps will exacerbate confusion is a relevant factor."

34) As was pointed out by the CJEU the *Budweiser* case was “exceptional”. In the instant case the applicant is Ms Harrison, yet I note that in her evidence she talks about the use of the mark by a “family owned firm” which I assume is Beds on Legs Ltd, a company of which she is an officer. There is no evidence of Ms Harrison using the mark in suit as a sole trader or in a partnership. Even if I am wrong on this, the applicant has stated that “her company” used to sell a variety of brands until 2016 and so the sales figures include a range of marks, used on beds as well as mattresses. It is by no means clear that the two parties have been co-existing, and it can only have been for a very short period prior to the opposition being launched. This line of defence, falls at the first hurdle of co-existence. **The opposition under section 5(2)(b) succeeds in full.**

35) I next turn to the ground of opposition under section 5(3) which reads:

“5. (3) 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 (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) 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.”

36) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

37) The first hurdle is the issue of reputation as set out at points (a) and (b) above. The onus is upon the opponent to prove that its trade mark enjoys a reputation or public recognition. In the instant case the opponent has provided evidence of use of its mark which shows that whilst its turnover is not huge it is respectable and that it will enjoy a reputation in both the industry and amongst the public, albeit the latter being confined to Yorkshire and contiguous areas.

38) I next have to consider whether the public will make a link. In Case C-408/01, *Addidas-Salomon*, the CJEU held that:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

39) In *Calvin Klein Trademark Trust v OHIM*, Case C-254/09P, the CJEU rejected an appeal against a judgment of the General Court rejecting an opposition against an application for what was then a Community trade mark (now a European Union trade mark) under what is now article 8(5) of the European Union Trade Mark Regulation, which is analogous to s.5(3) of the Act. The court held that:

“68. It should be noted that, in order for Article 8(5) of Regulation No 40/94 to be applicable, the marks at issue must be identical or similar. Consequently, that provision is manifestly inapplicable where, as in the present case, the General Court ruled out any similarity between the marks at issue.”

40) The level of similarity required for the public to make a link between the marks for the purposes of 5(3) may be less than the level of similarity required to create a likelihood of confusion. In *Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P, the Court of Justice of the European Union stated (at paragraph 72 of its judgment) that:

“The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in *Ferrero v OHMI*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited).”

41) Earlier in this decision I found that the opponent’s mark 3093802 is highly similar to that of the opponent, whilst the opponent’s mark 3093797 is similar to at least a medium degree. I also found that the goods of the two parties are identical. To my mind, if a member of the public saw the applicant’s mark they would immediately make the link to the opponent.

42) In my opinion use of the applicant's mark on the goods for which it sought registration would result in injury to the opponent. As the opponent has shown it has reputation; that a link would be established and that injury would occur the opposition under section 5(3) must succeed in full.

43) Given the above finding I decline to consider the ground of opposition under section 5(4)(a).

CONCLUSION

43) The opposition in relation to all the goods applied for has been successful under sections 5(2)(b) and 5(3).

COSTS

44) As the opponent has been successful it is entitled to a contribution towards its costs.

Expenses	£200
Preparing a statement and considering the other side's statement	£300
Preparing evidence / considering and commenting upon the applicant's evidence and filing written submissions	£800
TOTAL	£1,300

45) I order Claire Harrison to pay Ms Ashley Nemes the sum of £1,300. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 19th day of February 2018

George W Salthouse
For the Registrar,
the Comptroller-General