

O/465/19

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003265753 BY

TIAN YE

TO REGISTER THE FOLLOWING MARK:

RESHAPE

IN CLASS 35

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 411678 BY

WACOAL EMEA LTD

BACKGROUND AND PLEADINGS

1. On 24 October 2017, Tian Ye (“the applicant”) applied to register the trade mark **RESHAPE** in the UK. The application was published for opposition purposes on 17 November 2017. The application was originally sought for goods in class 25 and services in class 35. However, the applicant subsequently amended its application, reducing its specification to the following class 35 services only:

Class 35 Sales promotion for others; Advertising; Commercial administration of the licensing of the goods and services of others; Marketing; Import-export agency services; Sponsorship search; Presentation of goods on communication media, for retail purposes; Providing business information via a web site; Procurement services for others [purchasing goods and services for other businesses]; Provision of an on-line marketplace for buyers and sellers of goods and services.

2. The application was opposed by Wacoal EMEA Ltd (“the opponent”). The opposition is based upon sections 5(2)(a), 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The opponent originally also sought to rely upon section 5(1) of the Act. However, in its written submissions in lieu, it confirmed that it would no longer be pursuing this ground of opposition due to the amendment of the applicant’s specification.

3. For the purposes of its opposition based upon sections 5(2)(a), 5(2)(b) and 5(3) of the Act, the opponent relies on EUTM no. 14502538 for the trade mark **RE-SHAPE**. The earlier mark has a filing date of 25 August 2015 and a registration date of 22 December 2015 and is registered for the following goods:

Class 25 Articles of clothing; feminine undergarments including brassieres; pants; pants in the nature of intimate apparel, namely control pants, control briefs, shape pants; camisoles; bodysuits; bikini underwear; thong underwear; tank tops with shelf bra; body briefers, namely, one-piece bodysuits; bralettes, tops with built-in bras.

4. For the purposes of its opposition based upon sections 5(2)(a) and 5(2)(b), the opponent relies on all goods for which the mark is registered. The opponent claims that the respective marks are identical or similar and that the goods and services are identical or similar.

5. For the purposes of its opposition based upon section 5(3) of the Act, the opponent claims that it has a reputation for all goods for which its mark is registered and that use of the applicant's mark would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or repute of the earlier mark.

6. For the purposes of its opposition based upon section 5(4)(a) of the Act, the opponent claims that it has used the sign **RE-SHAPE** throughout the UK since 2015 in respect of the following goods and services:

Class 25 Articles of clothing; feminine undergarments including brassieres; pants; pants in the nature of intimate apparel, namely control pants, control briefs, shape pants; camisoles; bodysuits; bikini underwear; thong underwear; tank tops with shelf bra; body briefers, namely, one-piece bodysuits; bralettes; tops with built-in bras.

Class 35 Retail, online retail, wholesale and mail order services in connection with articles of clothing, feminine undergarments including brassieres, pants, pants in the nature of intimate apparel, namely, control pants, control briefs, shape pants, camisoles, bodysuits, bikini underwear, thong underwear, tank tops with shelf bra, body briefers, namely, one-piece bodysuits, bralettes, tops with built-in bras.

7. The applicant has filed a counterstatement denying the grounds of opposition.

8. The opponent is represented by Mathys & Squire LLP and the applicant is represented by Trademarkit LLP. The opponent filed evidence in the form of the witness statement of Vaughan Waylett dated 14 March 2019. No evidence was filed

by the applicant. No hearing was requested and only the opponent filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE

9. As noted above, the opponent's evidence consists of the witness statement of Vaughan Waylett dated 14 March 2019, which is accompanied by 4 exhibits. Mr Waylett is the Finance Director of the opponent.

10. Mr Waylett states that the opponent is part of a group of companies which was founded in 1946 and offers high quality, fashion conscious lingerie and swimwear, which is now stocked in over 5,000 retailers across the world, in more than 30 countries. Mr Waylett states that the opponent has used the mark RESHAPE/RE-SHAPE in the UK since 2013 in relation to a range of shapewear products.

11. Mr Waylett has provided a print out of a brochure which shows various shapewear and lingerie products being sold under the mark RESHAPE, but the document itself is undated and no date is provided by Mr Waylett¹.

12. Mr Waylett has provided a spreadsheet which he states relate to sales of RESHAPE products in the UK showing sales of £146,634 in 2014, £520,052 in 2015, £948,499 in 2016, £1,004,627 in 2017 and £1,162,588 in 2018². Mr Waylett states that RESHAPE products are available from Fenwicks, Harrods, Selfridges, Harvey Nichols, John Lewis, ASOS, Figleaves, JD Williams and Littlewoods. Mr Waylett has also provided a number of articles which mention the RESHAPE brand between 2015 and 2016.

DECISION

13. Section 5(2) of the Act reads as follows:

¹ Exhibit 1

² Exhibit 2

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

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

(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. Section 5(3) of the Act states:

“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 repute of the earlier trade mark.”

15. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, an international trade mark (UK) or Community 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

(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.”

16. The opponent’s mark qualifies as an earlier trade mark under the above provisions. As the earlier mark completed its registration process less than 5 years before the publication date of the application in issue in these proceedings, it is not subject to proof of use pursuant to section 6A of the Act.

17. Section 5(4)(a) of the Act states as follows:

“5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

b) ...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark”.

Sections 5(2)(a) and 5(2)(b) of the Act

Comparison of goods and services

18. Both of these grounds of opposition require at least some degree of similarity between the goods and services. The goods and services in issue are as follows:

Opponent's goods	Applicant's services
<p><u>Class 25</u></p> <p>Articles of clothing; feminine undergarments including brassieres; pants; pants in the nature of intimate apparel, namely control pants, control briefs, shape pants; camisoles; bodysuits; bikini underwear; thong underwear; tank tops with shelf bra; body briefers, namely, one-piece bodysuits; bralettes, tops with built-in bras.</p>	<p><u>Class 35</u></p> <p>Sales promotion for others; Advertising; Commercial administration of the licensing of the goods and services of others; Marketing; Import-export agency services; Sponsorship search; Presentation of goods on communication media, for retail purposes; Providing business information via a web site; Procurement services for others [purchasing goods and services for other businesses]; Provision of an on-line marketplace for buyers and sellers of goods and services.</p>

19. In its written submissions in lieu, the opponent states as follows:

“18. In view of all the above, it is the Opponent’s opinion that each of the terms listed in the Application is identical/confusingly similar and/or complementary to its clothing goods in class 25. As such, should the mark be registered, the Applicant would then have scope to use the identical mark in promoting the following services that would conflict with the Opponent’s earlier rights:

- Sales of clothing for others;
- Advertising of clothing;
- Commercial administrating the licensing of clothing goods;
- Marketing of clothing;
- Import-export agency services for clothing goods;
- Sponsorship search for businesses in the clothing industry;
- Presentation of clothes on communication media for retail purposes;
- Providing business information via a web site for clothing businesses;

- Procurement services for others [purchasing clothing goods for other businesses];
- Provision of an on-line marketplace for buyers and sellers of clothing goods.

19. It is evident that each of the terms above would share the same end-users and trade channels with those of the Opponent's goods. In addition, the services and the goods are intrinsically linked and complementary to each other, since the offering of the services would include identical goods. Moreover, the public could be under a false impression of the relationship between the provider of the said services and the trade mark owner, the public being used to sales platforms, retail stores, online marketplaces and information sites (by way of example) provided under the same mark as the proprietor's clothing line."

20. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, 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."

21. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

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

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

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

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

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

22. In *Kurt Hesse v OHIM*, Case C-50/15 P, 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 Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court (“GC”) stated that “complementary” means:

“... there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think the responsibility for those goods lies with the same undertaking.”

23. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted, as the Appointed Person, in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense – but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“... it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

24. I accept that the users of some of the opponent’s goods may overlap with the users of some of the applicant’s services. Clearly, the average consumer for the opponent’s goods will be a member of the general public and some of the applicant’s services will also be directed at members of the general public (such as “provision of an on-line marketplace for buyers and sellers of goods and services”). However, this is not the case for all of the applicant’s services as some will clearly be aimed at business users (such as “import-export agency services”). In any event, this is not sufficient on its own for a finding of similarity. The use, method of use and nature of the goods and services clearly differ. I do not agree with the opponent that there is any overlap in trade channels. The fact that a business that sells goods (such as clothing) may undertake promotion and advertising in relation to its own goods does not mean that there is an overlap in trade channels between those goods and services. The class 35 services for which the applicant’s mark is applied for are services that would be provided by specialist businesses to customers (whether business users or individuals) looking to obtain those services. I do not consider the goods and services to be complementary or in competition. Consequently, I do not consider there to be any similarity between the goods and services.

25. As some degree of similarity between the goods and services is required for there to be a likelihood of confusion³, the opposition under sections 5(2)(a) and 5(2)(b) must fail in its entirety.

³ *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA

Section 5(3)

26. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L'Oreal v Bellure* 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*).

27. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the earlier trade mark has achieved a level of knowledge/reputation amongst a significant part of the public. Secondly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the later mark. Thirdly, assuming that the first and second conditions have been met, section 5(3) requires that one or more types of damage claimed will occur and/or that the relevant public will believe that the marks are used by the same undertakings or that there is

an economic connection between the undertakings. It is unnecessary for the purposes of section 5(3) that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks. The relevant date for the assessment under section 5(3) is the date of the application - 24 October 2017.

Reputation

28. In determining whether the opponent has demonstrated a reputation for the goods for which the mark is registered, it is necessary for me to consider whether its mark will be known by a significant part of the public concerned with the goods. In reaching this decision, I must take all of the evidence into account including “the market share held by the trade mark, the intensity, geographical extent and duration of use, and the size of the investment made by the undertakings in promoting it.”⁴

29. The opponent is a worldwide business which has been operating under the earlier mark in the UK since 2013. The opponent’s sales under the mark have increased year on year up to £1,004,627 in 2017 and the goods are sold in a number of well known retailers. There has been some coverage of the opponent’s earlier mark in press articles between 2015 and 2016. However, the opponent has provided no market share figures. It is reasonable to assume that the market for the goods for which the opponent’s mark is registered in the UK is significant and that in the context of a market of that size, these sales figures represent a relatively low market share. The opponent has provided no information about the amount spent on marketing its brand in the UK. I am not satisfied that the opponent has demonstrated a reputation in the UK.

30. The opposition under section 5(3) of the Act must fail.

⁴ *General Motors*, Case C-375/97

Section 5(4)(a)

31. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “*a substantial number*” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

32. Whether there has been passing off must be judged at a particular point (or points) in time. There is no suggestion that the applicant used its mark prior to the date of the application for the mark in issue. The relevant date for assessing whether section 5(4)(a) applies is, therefore, the date of the application which is the subject of these proceedings - 24 October 2017.

Goodwill

33. The House of Lords in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL) provided the following guidance regarding goodwill:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in customers. It is the one thing

which distinguishes an old-established business from a new business at its first start.”

34. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing 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.”

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

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in

every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

36. Goodwill arises as a result of trading activities. Whilst I do not consider that the opponent's evidence goes far enough to demonstrate a reputation, I am satisfied that there is sufficient evidence of trading activities and that the opponent has a reasonable degree of goodwill in the UK in relation to the class 25 goods claimed. I am also satisfied that the sign relied upon by the opponent is distinctive of that goodwill. However, in my view the evidence falls short of demonstrating that the opponent has any goodwill in relation to the class 35 retail services claimed. Indeed, Mr Waylett focuses on the sales of the opponent's goods through third party retailers. There is no evidence to suggest that the opponent offers retail services in the UK.

Misrepresentation

37. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

38. I recognise that there is a difference between the test for misrepresentation and the test for likelihood of confusion. However, both tests are intended to be normative measures to exclude those who are usually careful or careless (as per Jacob L.J. in *Reed Executive Plc v Reed Business Information Ltd* [2004] RPC 40) and therefore, there are parallels between the two. Similarity between the goods and services is not essential for a finding under section 5(4)(a). However, the closeness or otherwise of the respective fields of activity in which the parties carry on business is one of the factors to consider when determining whether misrepresentation and damage are likely to occur. In this case, bearing in mind the differences between the parties' fields of activity there will be no misrepresentation.

39. The opposition under section 5(4)(a) must fail.

CONCLUSION

40. The opposition is unsuccessful, and the application will proceed to registration.

COSTS

41. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£550** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Preparing a statement and considering the opponent's statement	£250
Considering the opponent's evidence	£300
Total	£550

42. I therefore order Wacoal EMEA Ltd to pay Tian Ye the sum of £550. This sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated 9 August 2019

S WILSON
For the Registrar