

O-496-19

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3227892
IN THE NAME OF LIVE BETTER WITH LTD FOR THE TRADE MARK**

LIVEBETTERWITH

LiveBetterWith

(A SERIES OF TWO MARKS)

IN CLASSES 3, 9, 25, 35, 38, 41 & 44

AND

THE OPPOSITION THERETO UNDER NUMBER 413591

BY

HENKEL AG & CO. KGAA

Background

1. On 28 April 2017, Live Better With Ltd (“the applicant”) applied for a series of two trade marks, LIVEBETTERWITH and LiveBetterWith in respect of goods and services in classes 3, 9, 25, 35, 38, 41 and 44.

2. The trade mark application was published for opposition purposes in the *Trade Marks Journal*, on 1 June 2018. It was partially opposed under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) by Henkel AG & Co. KgaA (“the opponent”), which relies upon the following two earlier trade mark registrations for its grounds under sections 5(2)(b) and 5(3):

(i) European Trade Mark (“EUTM”) 984245

LIVE

Class 3: *Preparations for treating, dyeing, colouring, bleaching and styling hair.*

Date of filing: 13 November 1998; completion of registration procedure: 10 April 2000.

(ii) UK Trade Mark (“UKTM”) 3204627

LIVE

Class 3: *Preparations for treating, dyeing, colouring, bleaching, styling hair.*

Date of filing: 3 January 2017; completion of registration procedure: 7 April 2017.

3. The opponent has made a statement that it has made genuine use of its EUTM in relation to all the goods for which its mark is registered. As these proceedings commenced prior to 14 January 2019, when the Trade Mark Regulations 2018 came

into force¹, the relevant period for proof of use purposes is the five years prior to and ending on the date of publication of the contested application: 2 June 2013 to 1 June 2018.

4. The opponent claims that there is a likelihood of confusion under sections 5(2)(b) and 5(3) of the Act with various of the applicant's goods and services in classes 3, 35 and 44. Under section 5(3), the opponent's also claims that use of the applicant's mark would take unfair advantage of the opponent's reputation in its marks, and damage their reputation and distinctive character. The opponent claims that the later mark would piggy-back on its own advertising expense. Detriment would be caused by potentially poor quality goods and services, and a reduction in the ability of the earlier marks to attract custom owing to the presence of the later mark on the market.

5. Under section 5(4)(a) of the Act, the opponent claims that it has used the sign LIVE in the UK (and the EU) since about 2000 in relation to the goods which are the subject of its EUTM and UKTM. It claims that it is entitled to prevent the use of the applicant's mark under the law of passing off, because it has goodwill in relation to its sign and the use of the applicant's mark would result in misrepresentation and damage to the opponent's goodwill.

6. The applicant filed a defence and counterstatement, denying all of the grounds. It puts the opponent to proof of use of its EUTM.

7. The opponent is represented by D Young & Co LLP, whilst the applicant is represented by ip21 Limited. Both sides filed evidence and submissions. Neither party chose to be heard, but both filed written submissions in lieu of a hearing.

Preliminary remarks

8. I note that the opponent's EUTM, which is subject to proof of use, covers the same goods as the opponent's UKTM, which is not subject to proof of use. The

¹ SI 2018/825.

opponent may, therefore, rely upon all the goods for which the UKTM is registered. As a consequence, it would make no difference to the outcome of this decision whether the EUTM has been used because it is identical in coverage to the UKTM, for the same mark (LIVE). For this reason, I will assess the merits of the opponent's case based upon its UKTM only. From here, when I refer to the earlier mark, it is to the opponent's earlier UKTM.

9. The opponent's evidence comes from Joachim Renner, the opponent's Corporate Trade Mark Counsel. Mr Renner's witness statement is dated 20 December 2018. The applicant's evidence comes from Jaqueline Tolson, the applicant's trade mark attorney. Ms Tolson's witness statement is dated 11 March 2019. I do not propose to summarise the parties' evidence here, but I will refer to it where appropriate in this decision.

Section 5(2)(b) of the Act

10. Section 5(2)(b) of the Act states:

“(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.”

11. The following principles are gleaned from the decisions of the Court of Justice in the European Union (“CJEU”) in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel 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.

The principles

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

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

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

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

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

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

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

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

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

Comparison of goods and services

12. The opponent opposes the goods and services shown below:

Class 3

Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; non-medicated soaps; perfumery, essential oils, non-medicated cosmetics, non-medicated hair lotions; non-medicated dentifrices; dentifrices; air fragrancing preparations; aromatics [essential oils]; incense; joss sticks; oils for perfumes and scents; potpourris [fragrances]; sachets for perfuming linen; scented water; scented wood; after-shave lotions; antiperspirants [toilettries]; shaving preparations; eau de Cologne; musk [perfumery]; cosmetic preparations; lotions for cosmetic purposes; make-up; perfumes; soap; toilettries; body sprays; beauty care preparations; non-medicated preparations for the application to, condition and care of the hair, scalp, skin and nails; sun-tanning preparations; sunscreen preparations; breath preparations; hair preparations; hair lotions; shampoos; conditioners; skin care preparations; non-medicated preparations for the application to, condition and care of the hair, scalp, skin and nails; false nails; nail varnish; laundry preparations; waxing substances and preparations; emery; pumice stone; fabric conditioners; detergent soap; fabric softeners; laundry bleaching preparations; soap powders; washing powder; washing soda; abrasive cloth; abrasive paper; adhesives for cosmetic purposes; anti-static preparations for household purposes; emery cloth; emery paper; shampoos for pets; degreasers and grinding preparations; growth preparations for hair.

Class 35

Wholesale and retail services in connection with the sale of healthcare and health promotion products, namely hygiene products; gift sets, namely filled with health and wellness products, namely essential oils, cleaning products, cosmetic preparations, body and hair preparations, make-up; wholesale and retail services in connection with the sale of cosmetics for patient palliative care; wholesale and retail services in connection with the sale of bleaching preparations and other substances for laundry use, cleaning, polishing, scouring and abrasive preparations, non-medicated soaps, perfumery, essential oils, non-medicated cosmetics, non-medicated hair lotions, aromatics [essential oils], cosmetic preparations, lotions for cosmetic purposes, make-up, soap, toilettries, beauty care preparations, non-medicated preparations for the application to, condition and care of the hair, scalp, hair preparations, hair lotions, shampoos, conditioners, non-medicated preparations for the application to, condition and care of the hair, scalp, shampoos for pets, growth preparations for hair; promoting the goods and services of others over the Internet; consultancy, information and advisory services relating to the aforesaid services; consultancy, information and advisory services relating to the aforesaid services provided on-line from a computer database or the Internet; consultancy, information and advisory services relating to the aforesaid services provided over a telecommunications network.

Class 44

Hygienic and beauty care for human beings or animals; consultancy, information and advisory services relating to the aforesaid services; consultancy, information and advisory services relating to the aforesaid services provided on-line from a computer database or the Internet; consultancy, information and advisory services relating to the aforesaid services provided over a telecommunications network.

13. For procedural economy, I will make my assessment as to whether there is a likelihood of confusion based upon the goods which are identical. If the opponent cannot succeed here, it will do no better against the other goods and services which it opposes.

14. The law requires that goods/services be considered identical where one party's description of its goods/services encompasses the specific goods/services covered by the other party's description (and vice versa): see *Gérard Meric v OHIM*, Case T-33/05, General Court. The opponent opposes the applicant's *hair preparations*. This

term covers the opponent's goods (*preparations for treating, dyeing, colouring, bleaching, styling hair*). They are identical.

The average consumer and the purchasing process

15. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. The parties' goods and services are all aimed at the general public and will be relatively inexpensive and frequently purchased. I bear in mind, though, that this does not mean that the goods will necessarily only require a low level of attention during purchase. Consumers will look to ensure that the hair preparations, treatments or colours are suitable for their hair. Professional users, i.e. hairdressers, are likely to pay attention to the products they use on their own customers' hair. I find that the level of attention will be normal. The purchase will be overwhelmingly visual, although I do not ignore the potential for an aural aspect to the purchasing process; for example, stores commonly provide assistance in relation to personal care goods.

Comparison of marks

16. 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 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 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.”

17. It is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

18. The marks to be compared are:

Opponent's mark	Applicant's mark
LIVE	LIVEBETTERWITH LiveBetterWith

19. The overall impression of the earlier mark resides in the single element of which it is composed: LIVE. The overall impression of the applicant's marks is of a phrase comprising the conjoined words LIVE BETTER WITH. No part of the mark is more dominant because the words combine to form a phrase. It makes no difference whether the applicant's mark is in capitals or title case; it will be read as three common dictionary words.

20. The first four letters of the applicant's marks are identical to the opponent's mark. However, the applicant's marks are considerably longer than the opponent's mark (fourteen letters as opposed to four). The marks are visually similar to a low degree. The applicant's marks are composed of three words, making up four syllables, whereas the opponent's mark is comprised of a single word and syllable. Taking into account that the first word and syllable are identical, there is a low degree of aural similarity between the marks.

21. The opponent's mark can be construed in two ways. It is either the imperative of the verb 'to live', or an adjective, as in 'a live broadcast'. The applicant's marks are an imperative phrase, which appears incomplete as it invites the question 'live better with what?' The marks have a low degree of conceptual similarity.

22. Overall, the marks have a low degree of similarity.

Distinctive character of the earlier mark

23. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*² 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).”

24. In relation to the opponent’s goods, the earlier mark has a normal degree of distinctive character. It is an ordinary dictionary word which does not appear to describe or allude to any characteristic of the goods.

² Case C-342/97

25. One of the principles which must be taken into account in deciding whether there is a likelihood of confusion is that 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 summarise below the key points from the opponent's evidence of use of its mark.

26. Exhibit JR4 comprises an affidavit from Martin Andree, dated 22 November 2018. Mr Andree is the opponent's Corporate Vice President Hair Colour and Hair Care. He gives sales figures for hair care preparations and colourants bearing the trade mark LIVE from 2014 to 2018 in Europe, the UK, Germany, Finland and Poland. Bearing in mind that the relevant date is the date on which the contested application was filed, the figures are:

	Europe	UK	Germany	Finland	Poland
2014	32,606,000	22,631,000	4,588,000	2,593,000	-
2015	33,284,000	23,824,000	3,945,000	2,475,000	-
2016	36,868,000	27,404,000	2,869,000	2,189,000	860,000
2017	38,489,000	25,101,000	1,365,000	2,540,000	2,844,000

27. Marketing expenditure was:

	Europe	UK	Germany	Finland	Poland
2014	7,001,000	5,953,000	54,000	595,000	-
2015	8,421,000	7,943,000	101,000	167,000	-
2016	12,446,000	12,162,000	78,000	90,000	-
2017	9,247,000	8,936,000	41,000	159,000	11,000

28. Invoices in Exhibit JR5 show that the goods have been supplied to retailers in the UK which include Asda, Superdrug, Boots, Tesco, Unichem and Wilko. Magazine advertisements for goods bearing the mark, which all appear to be hair colours, are shown in Exhibit JR8. Most of these date from more than five years prior to the relevant date. However, there are a handful from more recent years in Heat magazine, a magazine called Look and two blogs. A similar picture is given in

respect of television advertisements. Most date from 2011 and 2012. There is one which aired in the UK on ITV between October 2013 and January 2014. Price lists and order forms contained in Exhibit JR10 appear to show that LIVE was used between 2012 and 2017 in relation to hair colour.

29. Mr Renner provides data in Exhibit JR14 which he states gives market share details for hair colours from 2010-2012, over 5 years prior to the relevant date. The table is not easy to understand. There is no reference to figures in the body of Mr Renner's witness statement. It appears from the table that LIVE hair colours averaged about 8-9% of the UK market in these years.

30. It is only the perspective of the UK consumer that is relevant in assessing whether a mark's distinctive character has been enhanced and therefore makes confusion amongst UK consumers more likely. The evidence shows that use of the opponent's mark has been in relation to hair colourants. However, although recent sales figures have been given, the rest of the evidence is focussed upon UK use around 2011/2012. There is only one television advertisement, which is from 2013 and early 2014; little in the way of recent printed advertisements; and the market share figures date from 2010 to 2012. There is no explanation as to why there are not more up to date figures. I am unable to conclude from the evidence that the mark was entitled to claim an enhanced level of distinctive character as of 28 April 2017.

Likelihood of confusion

31. The applicant has filed evidence by way of a witness statement from its trade mark attorney, Jacqueline Tolson. Ms Tolson's witness statement is short and serves as a vehicle to adduce evidence about the applicant's business. Exhibit JT2 comprises pages from the applicant's website which reveals its business to be a website for cancer sufferers, LiveBetterWithCancer. These were all printed on 11 March 2019, after the relevant date. There is no information about the applicant prior to the relevant date from which it may be assessed whether concurrent trade is relevant. This evidence, therefore, does not affect the assessment as to whether there was a likelihood of confusion between the parties' marks at the relevant date,

28 April 2017. That assessment must be made on the basis of notional and fair use of the parties' marks.

32. The thrust of the opponent's case is that the applicant's mark will be seen as a sub-brand, or that it is connected to the opponent in some way. This is 'indirect confusion', which was explained in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, by Mr Iain Purvis Q.C., sitting as the Appointed Person:

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

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI" etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

33. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. As stated earlier, I will firstly make the assessment in relation to those goods in class 3 which I have found to be identical.

34. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J. (as he then was) considered the impact of the CJEU’s judgment in *Bimbo*, Case C-591/12 P, on the court’s earlier judgment in *Medion v Thomson*. He stated:

“18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

35. I have found the marks to be low in similarity. Despite the goods being identical, I find that there is no likelihood of confusion. The ‘Better With’ elements of the later mark qualify the first element ‘Live’. The later mark would be perceived as a unit having a different meaning to LIVE on its own. The earlier mark does not retain an independent distinctive role in the later mark. Moreover, although the three examples of indirect confusion given by Mr Purvis QC are inexhaustive, I note that the later mark does not fit any of the three categories; nor is there some other reason why the average consumer would assume that the later mark is a sub-brand of the opponent.

36. The opponent submits that the applicant could use its mark in the following manner:

LIVE
BETTER
WITH

37. Even if that were the case, the above reasoning still applies. The mark would be read through as a phrase with its own meaning as a unit, distinct from that of the earlier mark.

38. The ground of opposition under section 5(2)(b) fails. As I have considered matters which give the opponent its best case, i.e. that the goods are identical, there is no merit in considering whether the other goods and services would produce a different outcome. If anything, they are subject to a higher level of attention, which would be a point in the applicant's favour.

Section 5(3) of the Act

39. Section 5(3) states:

“(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 Community trade mark or international trade mark (EC), in the European Community) 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.”

40. 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, *Adidas-Salomon*, [2004] ETMR 10 and Case 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 on 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*).

41. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

42. As will be clear from the evidence summary above, I have found that the opponent has used its earlier mark in relation to hair colourants in the UK. However,

it is difficult to find that it had the requisite reputation at the relevant date. The market share figures date from five years and more before the relevant date. There is also little promotional evidence in the five years prior to the relevant date. The only recent evidence is of turnover, but without market recent share context. I am left to wonder why there is no more recent evidence in relation to market share and promotion, and to conclude that the opponent's share of the market had reduced. It is for the opponent to provide evidence which proves the facts upon which it wishes to rely in these proceedings. Relying on evidence it has filed in other, earlier, proceedings in the EUIPO runs the risk that the evidence will be found wanting.

43. Assuming that the market share position has not altered significantly and that the earlier mark has the requisite level of reputation, which is a knowledge threshold, it does not appear to me that it would cause a link when all the factors I have already assessed in terms of similarity between the marks are considered, even in relation to identical goods. Without a link, there can be no damage caused to the earlier mark or unfair advantage for the later mark. The section 5(3) ground fails.

Section 5(4)(a) of the Act

44. Section 5(4)(a) states:

“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.”

45. 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).”

46. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margerine Ltd* [1901] AC 217 at 223:

“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 custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

47. Earlier I found that there had been genuine use, but no enhancement of distinctive character for the purposes of section 5(2)(b) of the Act. The legal test of goodwill and proof of use/enhanced distinctive character are, of course, different, but my assessment of the evidence is the same. The opponent had goodwill at the relevant date in relation to the goods relied upon, which are the same as those relied upon under section 5(2)(b). Bearing in my mind my assessment of the similarities between marks already made, whilst recognising the difference in legal tests between likelihood of confusion and misrepresentation, the opponent is in no better a

position with regard to this ground than under section 5(2)(b). The passing off ground fails.

Outcome

48. The opposition fails under all grounds. The application may proceed to registration.

Costs

49. The applicant has been successful and is entitled to a contribution towards the costs of the proceedings, based upon the scale of costs published in Tribunal Practice Notice 2/2016. I have not made an award for the applicant's evidence, as it was of no assistance to the outcome. I also make no award in respect of the applicant's written submissions in lieu of a hearing because they were a simple re-casting of the submissions which the applicant filed during the evidence rounds.

50. The breakdown of the cost award is as follows:

Considering the notice of opposition and filing the defence and counterstatement	£300
Considering the opponent's evidence, including filing submissions	£500
Total	£800

51. I order Henkel AG & Co. KgaA to pay Live Better With Limited the sum of **£800**. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 27th day of August 2019

Judi Pike

**For the Registrar,
the Comptroller-General**