

O-311-20

**TRADE MARKS ACT 1994
IN THE MATTER OF
INTERNATIONAL TRADE MARK NO. WO0000001435666
DESIGNATING THE UNITED KINGDOM**

**BY ITP S.A.
TO REGISTER**



NEAUVIA

**AS A TRADE MARK
IN CLASSES 3, 5, 10, 41 & 44
AND OPPOSITION THERETO (UNDER NO. 415620)
BY
BEIERSDORF AG**

Background & Pleadings

1. ITP S.A. (“the holder”) is the holder of international registration (“IR”) no. WO0000001435666 (“the designation”) in respect of the mark **NEAUVIA**. Protection in the UK was requested on 5 June 2018 in respect of classes 3, 5, 10, 41 and 44.

2. The IR was published in the UK for opposition purposes on 30 November 2018. On 27 February 2019 Beiersdorf AG (“the opponent”) opposed the designation under sections 5(2)(b) the Trade Marks Act 1994 (“the Act”) on the basis of its earlier EU trade marks nos.15034077 and 10256782. It has also opposed the designation under section 5(3) of the Act on the basis of its EU mark nos. 12609 and 10256782. The earlier EU trade marks and the relevant goods and service relied on are set out below.

<p>EU TM No.015034077</p>  <p>Filing Date: 25 January 2016 Registration date: 23 May 2016</p>	<p>Goods and Services relied on:</p> <p>Class 3: soaps; perfumery, cosmetics, deodorants and anti-perspirants for personal use; preparations for the cleansing, care and embellishments of the hair; cosmetic suncare preparations</p> <p>Class 5: pharmaceutical preparations; sanitary preparations for medical purposes</p> <p>Class 44: medical services; hygienic and beauty care for human beings</p>
<p>EU TM No.010256782</p>  <p>Filing date: 12 September 2011 Registration date 16 February 2012</p>	<p>Class 3: Bleaching preparations and other substances for laundry use; Cleaning, polishing, scouring and abrasive preparations; Soaps; Perfumery goods; Essential oils, cosmetics, hair lotions; Dentifrices.</p>

	<p>Class 5: pharmaceutical preparations</p> <p>Class 44: Hairdressing and beauty salon services; Beauty consultation, nutrition consultation, provision of sauna facilities, sun-tanning studios and massage studios; Hygienic and beauty care; Manicuring; Providing of information regarding cosmetics and cosmetic services on the Internet</p>
<p>EU TM No.12609</p> <p>NIVEA</p> <p>Filing date: 1 April 1996</p> <p>Registration date: 1 October 1998</p>	<p>Class 3: cosmetics, including non-medicinal hygienic and cosmetic preparations; oral hygiene; soaps; perfumery, essential oils and essences; skin care preparations; hair care preparations.</p>

3. Finally the opponent opposed the designation under section 5(4)(a) of the Act for the word NIVEA for which it claims use since “1914 or earlier” in the UK on a number of class 3 goods, namely “*inter alia, soaps; perfumery, essential oils and essence; cosmetics, including non-medicinal hygienic and cosmetic preparations, oral hygiene, skin-care and hair-care preparations and dentifrices; deodorants and anti-perspirants for personal use; cosmetic suncare preparations.*”

4. The opponent’s trade marks all have filing dates that are earlier than the designation date and, therefore, they are all earlier marks, in accordance with Section 6 of the Act. As the registration procedure for EU TM Nos. 12609 and 10256782 was completed more than 5 years prior to the designation date of the contested IR, they are subject to the proof of use conditions, as per section 6A of the Act. EU TM No. 015034077 is not subject to proof of use, having not been registered

for five years prior to the designation date. The opponent made a statement of use in respect of all the goods and services it relies on.

5. The holder filed a counterstatement in which it denied the opponent's claims that the respective marks are similar although it admitted that there was "some overlap" between its goods and the goods listed for the earlier mark no.15034077. The holder also put the opponent to proof of use for earlier mark nos. 12609 and 10256782.

6. Both parties have been professionally represented in these proceedings. The opponent represented by Lysaght and the holder by CMS Cameron McKenna Nabarro Olswang LLP.

7. The opponent filed evidence and both parties filed written submissions in lieu of a hearing. I make this decision based on the material before me.

Opponent's evidence


8. The opponent filed a witness statement dated 20 August 2019 in the name of Dr Sven Freiwald, who is the Manager of Business Law Products and Trademarks in the opponent's in-house legal department. Dr Freiwald annexed 14 exhibits.

9. Pertinent points to note from Dr Freiwald's witness statement are that,

- The opponent's company was founded in Germany in 1882
- It opened its first UK premises in 1906
- The mark NIVEA was first used in Germany on a skin cream in 1911
- The NIVEA skin cream product was launched in the UK in 1922

10. I find the following exhibits to be of particular significance under sections 5(3) and 5(4)(a).

- Exhibit SF6 consists of a corporate timeline detailing the commercial activities and use of mark in the UK from 1906 to 2000 when the opponent acquired sales and distribution rights in the UK.

- Exhibit SF7 comprises a number of archive print advertisement images dating from 1948 to 2011 demonstrating the evolving use of the  and **NIVEA** marks on the opponent's skin cream goods.
- Exhibit SF8 comprises several components relating to the "NIVEA for MEN" brand. This exhibit includes a timeline of product launches since the inception of the brand in 1986 although there is an image of the word mark being using on shaving soap in 1922. In addition, there is a 'highlights' breakdown of the advertisement expenditure for 2008 being for £4m. There is also information relating to a sponsorship deal with the England men's national football team between 2010 and 2015 and three images, namely two of point of sale displays and one image of a limited-edition shower gel product, all being for a football world cup tie-in in 2015.
- Exhibit SF9 contains social media statistics for the opponent's NIVEA brand for 2017. Facebook and Instagram statistics are particularly featured. The social media statistics state that total reach is approximately 131m users, that is the number of people that see the opponent's content. The total impression figures, that is the content delivered into users' social media feed totals 170m.
- Exhibits SF10 contains details about the opponent's NIVEA brand sponsorship of the ITV morning television programme "This Morning" between 2010-2013 which is stated to have had a media value of £20m. The exhibits include a still used as one the 14 idents for the programme.
- Exhibit SF11 contains details of a partnership between NIVEA and the charity Cancer Research UK to promote skin protection from the sun. The exhibit also contains examples of print advertisements from 2012 and 2014, stills from a TV advertisement broadcast in 2016 and images of point of sale displays from 2014.

- Exhibit SF12 consists of a UK household penetration tracker graph for NIVEA products prepared by Kantar Worldpanel. The graph indicates that NIVEA products were present in 58% of UK homes in quarter 1 of 2013, rising to a high of 65% in quarter 4 in 2013 before levelling off at 63% in quarter 1 of 2016.
- Exhibit SF13 comprises a list of awards won by NIVEA products during 2017 from UK based publications. In addition, the exhibit also includes 2016/17 market data produced by Nielsen Scantrack relating to the position of NIVEA products in various categories. The exhibit stated that NIVEA products held the no.1 position for body care products, anti-ageing cream, male skin care and sun protection for adults and children.

11. Within the exhibits highlighted above, although no turnover figures have been provided, I find there has been significant use of the marks in the UK since 1922. The opponent's marks have been used in substantial sponsorship deals on a national TV network and in conjunction with the national men's football team for several years. Particularly noteworthy is the market penetration of the opponent's goods in UK households and the market research data indicating it is the market leader for skin care and sun care products. Overall, I find that the opponent has demonstrated use, reputation and goodwill.

Approach

12. Given that earlier right no. EU TM No.015034077 is not subject to proof of use and has broad specifications, I intend to consider the 5(2)(b) claim first using this earlier mark.

Section 5(2)(b)

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

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

14. The leading authorities which guide me are from the Court of Justice of the European Union ('CJEU'): *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 will wrongly 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

15. Given that the respective marks' specifications for classes 3, 5 and 44 share the following terms, I intend to proceed on the basis of identity, returning only to consider the similarity of the remaining goods and services if it proves necessary to do so.

Class 3: soaps; perfumery; cosmetics; deodorants; antiperspirants; hair care preparations; suncare preparations

Class 5: *Pharmaceutical preparations; sanitary preparations for medical purposes*

Class 44: *Medical services; hygienic and beauty care for human beings*

Average consumer and the purchasing process

16. I next consider who the average consumers are for the goods and services and how they are purchased. 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.”

17. The average consumers for the contested goods and service are the general public as well as pharmaceutical/health professionals and beauty therapy businesses.

18. Taking the goods first, I consider them to be an inexpensive everyday type of purchase. However, in *Bayer AG v EUIPO*, Case T-261/17, the General Court held that the average consumer pays a heightened level of attention when selecting pharmaceutical products, including such products available without a prescription. Even for non-pharmaceutical goods, the general public will pay at least a medium degree of attention when purchasing, as some products can be detrimental to health if used incorrectly. Pharmacists and other health professionals are likely to pay a high degree of attention as although they will be more familiar with such products, they will also have a consumer/patient’s health considerations in mind. The act of

purchasing is likely to be mainly visual as consumers select goods from a physical retail or pharmaceutical outlet or by browsing online. However, I do not discount aural considerations such as word of mouth recommendations or advice sought from a health or beauty professional as well as pharmaceutical salespeople which may also play a part.

19. With regard to the services, I find the cost can vary considerably depending on the service. For example, cosmetic medical procedures will be more expensive compared with the lower cost for beauty therapy treatments like facials. Even for those lower cost services, I find the degree of attention paid by consumers will be at least medium as they will be considering issues such as the suitability of particular treatments for their own skin types or medical conditions. As with the goods, I find that the selection of services will take place visually by selecting treatments from a range available at spa or salon premises or by browsing websites and I also do not rule out an aural element such as word of mouth recommendations and advice sought from professionals with regard to suitable treatment.

Comparison of the marks

20. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The 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.”

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

22. The marks to be compared are

Opponent's trade mark	Holder's trade mark
NIVEA	NEAUVIA

23. The holder's mark consists of a word with no other embellishment. Its overall impression rests solely in this word.

24. The opponent's mark is a word mark presented in a slightly stylised block typeface. The overall impression rests solely in this word.

25. In a visual comparison, the marks both begin with the letter N, both contain the letter V within the words and both end with the letter A. The opponent's mark is five letters long and contains the letter V as the third letter, whereas the holder's mark is noticeably longer at seven letters long and has the letter V as the fifth letter. In terms of differences, the opponent's mark contains the letters I and E at the second and fourth positions whilst the holder has the letters E, A, U and I making up the remainder of its mark. The opponent contends in its written submission of 13 December 2019¹ that,

“The marks are visually similar [...] The contested sign contains all letters of the earlier marks, with the majority being in the same order. The uncommon word structure of “N_V_A” is shared between the marks

26. Whereas the holder contends² that,

¹ The opponent's submissions are not paginated nor are the paragraphs numbered. The reference to visual similarity occurs on the second page of the document headed “PLEADINGS OF THE OPPONENT”.

² Holder's submissions of 13 December 2019, page 6, paragraph 5.7

“Whilst both marks share some of the same letters, they are not in the same order and the overall visual impression of the application is highly dissimilar to the opponent’s marks”

27. In relation to the holder’s contention, I find the beginning of the respective marks amplifies the issue of visual difference in this case. In particular I find the guidance given in *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, where the General Court noted that the beginnings of word tend to have more visual and aural impact than the ends to be helpful. The court stated:

“81. It is clear that visually the similarities between the word marks MUNDICOLOR and the mark applied for, MUNDICOR, are very pronounced. As was pointed out by the Board of Appeal, the only visual difference between the signs is in the additional letters ‘lo’ which characterise the earlier marks and which are, however, preceded in those marks by six letters placed in the same position as in the mark MUNDICOR and followed by the letter ‘r’, which is also the final letter of the mark applied for. Given that, as the Opposition Division and the Board of Appeal rightly held, the consumer normally attaches more importance to the first part of words, the presence of the same root ‘mundico’ in the opposing signs gives rise to a strong visual similarity, which is, moreover, reinforced by the presence of the letter ‘r’ at the end of the two signs. Given those similarities, the applicant’s argument based on the difference in length of the opposing signs is insufficient to dispel the existence of a strong visual similarity.

28. In this case and to the eye reading from left to right, there is a considerable visual distance between the first letter N and the next shared letter V. In the opponent’s mark it is a single letter I, which is an upright stroke making the shared letters N and V look closer together. In the holder’s mark there are three different letters pushing the shared letters further apart. Taking these factors into account but accepting that the marks begin and end with the same letters and contain the letter V within them, I find there to be a low degree of visual similarity. I do not give a higher degree of similarity as put simply the marks look quite visually different to the eye.

29. With regard to the aural comparison, both parties have drawn my attention to the pronunciation of the first syllable of the holder's mark, namely NEAUV. In particular both parties' submissions focus on how an English speaker may approach the pronunciation of this letter combination. The holder contends that this syllable is likely to be pronounced as NEWV. It is also plausible that an English speaker would be familiar with the French derived letter combination EAU and its "OH" sound. If that is the case, then the pronunciation may be NOHV. Either way the pronunciation is different to the earlier mark's first syllable being sounded as NIV. In *El Corte Inglés*, the General Court commented on aural similarities at the beginning of mark as follows,

83. Second, the first two syllables of the opposing signs forming the prefix 'mundi' are the same. In that respect, it should again be emphasised that the attention of the consumer is usually directed to the beginning of the word. Those features make the sound very similar.

30. Clearly the first syllable of the respective marks will be sounded differently. With regard to the endings of the marks, I find that although they contain different letter combinations, namely EA in the opponent's mark and IA in the holder's mark, both will be pronounced identically with an EE-A sound. Keeping all these factors in mind I find there is a medium degree of aural similarity.

31. Finally looking at the conceptual comparison, the opponent contends that the marks should be regarded as invented words and as such should be regarded as conceptually neutral. I agree with the opponent on this point.

Distinctive character of the earlier mark

32. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, based either on inherent qualities or because of use made, the greater the likelihood of confusion. 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).”

33. The earlier marks consist of an invented word, NIVEA, which has no meaning in relation to the goods and services for which it is registered. The opponent filed evidence demonstrating enhanced distinctiveness. However, as the marks are invented words then they are inherently distinctive to the highest degree, so the evidence does not put the opponent in any stronger a position.

Likelihood of confusion

34. There is no scientific formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where 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 services and vice versa. It is necessary for me to keep in mind the distinctive character of the opponent’s mark, the average consumer and the nature of the purchasing process for the contested goods. In doing so, I must be aware 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 that he has retained in his mind.

35. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related.

36. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

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

37. Whereas in *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., also sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

38. During this decision I have found that the parties’ goods and services are identical. In relation to the average consumer, I found the goods and services are purchased both by the general public and professionals who will be paying between

a normal to high degree of attention in a mainly visual purchasing process. In addition I have found that the earlier mark is inherently distinctive to the highest degree and that the visually similarity was low, the aural similarity was medium and that the marks are conceptually neutral.

39. I have found that there are some visual similarities between the marks, as they have five letters in common, and have a similar structure, namely beginning with letter N, having a letter V in the middle and ending with a letter A. However, these similarities are outweighed by the visual and aural differences created by the combination of the letters EAU in the holder's mark which, in my view, are sufficient for the average consumer not to mistake one mark for the other. In addition, as both marks are invented words, neither has an immediately graspable concept so there is nothing to assist a consumer with fixing the marks in their mind. Even having regard to the concept of imperfect recollection, I do not consider there to be a likelihood of direct confusion between the applicant's mark and the opponent's marks, on the part of an average consumer paying a normal to high level of attention.

40. Having found that there is no likelihood of direct confusion, I now consider whether there is any indirect confusion. In my view and bearing in mind the points made in *L.A.Sugar*, the common element are three letters in the same order but this element is not such of a feature that the applied for mark could be taken as a brand extension of the earlier mark, even for identical goods. Furthermore, I do not consider that the average consumer is likely to believe that the respective goods and services come from the same or linked undertakings simply because the mark share three letters in the same order. I am guided by the Appointed Person's finding in the *Duebros* decision extract given above that one mark may call to mind other marks but this is an association not indirect confusion.

41. The opposition fails under section 5(2)(b).

Section 5(3)

42. Having found no likelihood of confusion under Section 5(2)(b), I next consider the claim made under section 5(3). The opponent opposed the designation under

Section 5(3) of the Act based on its earlier marks, namely EU TM 12609 and EU TM 10256782, for which it claims to have a reputation for the following goods in class 3.

EU TM no.12609: *cosmetics, including non-medicinal hygienic and cosmetic preparations, oral hygiene; soaps; perfumery, essential oils and essences; skin care preparations; hair care preparations.*

EU TM no.10256782: *cosmetics; soaps; perfumery goods; essential oils; hair lotions.*

43. In particular the opponent argues that holder has intentionally chosen a mark that is similar to its marks so that it will benefit from the opponent's reputation and gain an unfair advantage. The opponent also claims that its own reputation is for "cosmetics and skincare using natural non-invasive preparations" whereas the holder's marks has coverage for goods and services for cosmetic and surgical procedures to alter body image. The opponent submits this will cause "a negative impact" to its valuable reputation and business. It also claims that use of the holder's mark will dilute the distinctive character and reputation of its marks.

44. In its counterstatement, in relation to the section 5(3) claim, the holder admits that the applicant has a reputation for *moisturising creams* in class 3 but requested that the opponent be put to proof of use for its other goods and services. It also denied the opponent's claims of detriment.

Legislation

45. The relevant part 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 the repute of the earlier trade mark."

46. The relevant case law for consideration of section 5(3) 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*).

Reputation

47. 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.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

48. Having considered the factors set out above and weighing in the opponent's evidence and the reach of its goods, I find that the earlier trade marks have established a significant reputation for *cosmetics and skincare preparations*.

Link

49. As noted above, the assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

- *The degree of similarity between the conflicting marks*
- *The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public*
- *The strength of the earlier mark's reputation*

- *The degree of the earlier mark’s distinctive character, whether inherent or acquired through use*
- *Whether there is a likelihood of confusion*

50. When assessing the similarity of the signs I am guided by *Addidas Saloman*³ whereby 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).”

51. In my previous findings under section 5(2)(b), I found that there was no likelihood of confusion because of a low degree of visual similarity, only a medium degree of aural similarity and conceptual neutrality. I am guided by *Intra-Pressse*⁴ that the level of similarity required for the public to make a link between the marks may be less than the level of similarity required for an assessment on likelihood of confusion. However, in my view the level of similarity between these marks is still insufficient to pass the threshold. I find that the public will not make a link between the marks

³ *Addidas-Salomon*, Case C-408/01.

⁴ *Intra-Pressse SAS v OHIM*, Joined cases C-581/13P & C-582/13P

despite the identity of the goods and that can be put down to the reputational strength of NIVEA.

52. Having failed to establish a link, the opposition fails under section 5(3).

Section 5(4)(a)

53. Finally I now consider the claim made under section 5(4)(a) of the Act. The opponent opposed the designation based on its alleged earlier rights in NIVEA. It claims to have been selling *inter alia*, soaps; perfumery, essential oils and essence; cosmetics, including non-medicinal hygienic and cosmetic preparations, oral hygiene, skin-care and hair-care preparations and dentifrices; deodorants and anti-perspirants for personal use; cosmetic suncare preparations since 1914 or earlier and has acquired goodwill under the sign. Use of the designation would therefore be a misrepresentation to the public and result in damage to the aforementioned goodwill.

54. The holder denied the claims in its counterstatement.

Legislation

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

“(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, where the condition in subsection (4A) is met,

(aa)

(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.”

56. 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).”

Goodwill

57. In *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217, the House of Lords define goods will as:

“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.”

58. As previously set out in evidence and in establishing reputation, I am satisfied that the opponent has demonstrated that it has significant goodwill throughout the UK for the sign NIVEA since at least 1922 for *cosmetics and skin care preparations*.

Misrepresentation

59. Halsbury's Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

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

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

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

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

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

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

60. In considering the above factors and on the basis of my previous findings that the marks are visually similar to a low degree and aurally similar to a medium degree, I do not find that a substantial proportion of consumers or potential consumers would believe that the holder’s goods and services are connected to the opponent, despite the significant goodwill held by the opponent in skincare products because the respective marks are not sufficiently similar. Therefore, I find that there is no misrepresentation to the public.

61. The section 5(4)(a) ground of opposition fails.

Conclusion

62. The opposition has failed. Subject to any appeal of this decision, the designation will proceed to registration.

Costs

63. The holder has been successful and is entitled to a contribution to its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 2/2016. Bearing in mind the guidance given in TPN 2/2016, I award costs to the holder as follows:

£500 Preparing a statement and considering the other side’s statement

£500 Preparing written submissions

£1000 Total

64. I order Beiersdorf AG to pay ITP S.A. the sum of £1000. This sum is to be paid within two months of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 5th day of June 2020

June Ralph

For the Registrar

The Comptroller-General