

O/536/20

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003423849

BY BEN ARNOLD TO REGISTER:

P A L M

AS A TRADE MARK IN CLASSES 25 AND 26

AND

IN THE MATTER OF THE OPPOSITION THERETO

UNDER NO. 600001285 BY

AIKON INTERNATIONAL LIMITED

BACKGROUND AND PLEADINGS

1. On 26 August 2019, Ben Arnold (“the applicant”) applied to register the trade mark shown on the cover of this decision in the UK (“the applicant’s mark”). The application was published for opposition purposes on 20 September 2019 and registration is sought for the following goods:

Class 25: Bathing caps; Bathing costumes; Bathing costumes for women; Bathing drawers; Bathing suit cover-ups; Bathing suits; Bathing suits for men; Bathing trunks; Beach clothes; Beach clothing; Beach cover-ups; Beach footwear; Beach hats; Beach robes; Beach shoes; Beach wraps; Beachwear; Bikinis; Caftans; Coverups; Cover-ups; Fitted swimming costumes with bra cups; Sarongs; Sun hats; Surf wear; Surfwear; Swim briefs; Swim caps; Swim shorts; Swim suits; Swim trunks; Swim wear for children; Swim wear for gentlemen and ladies; Swimming caps; Swimming costumes; Swimming suits; Swimming trunks.

Class 26: Bags [Zip fasteners for -]; Belt buckles for clothing; Belt clasp; Blouse fasteners; Buckles for clothing [clothing buckles]; Button badges; Buttons; Fasteners (Slide -) [zippers]; Zip fasteners; Zip fasteners for bags; Zipper fasteners; Zipper pulls; Zippers; Zippers for bags; Zips.

2. On 20 December 2019, the application was opposed by Aikon International Limited (“the opponent”). The opposition is based on sections 5(1), 5(2)(a) and 5(2)(b) of the Trade Marks Act 1994 (“the Act”). For the purposes of all of the grounds of opposition, the opponent relies on the following trade marks:

PALM

UK registration no. 225552

Filing date 31 August 1899; registration date 31 August 1899

Relying on all goods namely:

Class 25: Stockings and socks.
("the opponent's first mark")

and;

PALM

UK registration no. 723438

Filing date 4 November 1953; registration date 4 November 1953

Relying on all goods namely:

Class 25: Articles of knitted clothing and articles of clothing made from
knitted piece goods, but not including bootees or slippers.

("the opponent's second mark")

3. In its notice of opposition, the opponent submits that the marks are phonetically similar and cover "the same or similar goods and services such that there is a risk of confusion among the relevant customers".
4. The applicant filed a counterstatement denying the claims made.
5. Rule 6 of the Trade Marks (Fast Track Opposition) (Amendment) Rules 2013, S.I. 2013 2235, disapplies paragraphs 1-3 of Rule 20 of the Trade Mark Rules 2008, but provides that Rule 20(4) shall continue to apply. Rule 20(4) states that:

“(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit.”
6. The net effect of these changes is to require the parties to seek leave in order to file evidence in fast track oppositions (other than the proof of use evidence which is filed with the notice of opposition). In its written submissions in lieu of a hearing, the opponent sought to introduce additional evidence into proceedings. Upon review of this evidence by the Tribunal, it was determined that save for one exhibit, the evidence was filed to clarify the evidence in the opponent's notice of opposition. Therefore, the Tribunal took the view that this could be admitted into evidence as

long as it was filed with a witness statement. The opponent subsequently filed the witness statement of Edrrish Adam Patel dated 2 October 2020.

7. The applicant is represented by Dynham and the opponent is unrepresented. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if (i) the Office requests it or (ii) either party to the proceedings requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost; otherwise, written arguments will be taken. A hearing was neither requested nor considered necessary. As above, the opponent filed witness evidence. Both parties have filed written submissions in lieu. The applicant filed further written submissions in response to the opponent's evidence. I have taken these into consideration and will refer to them below where necessary. This decision is taken following a careful perusal of the papers.

PRELIMINARY ISSUE

8. I note that in the applicant's written submissions in reply, the applicant submits that:

“The Applicant therefore requests that UK0000723438 and UK0000225552 be declared invalid, and that the omission be dismissed entirely, with costs awarded to the Applicant”.

9. These are opposition proceedings only and no application for revocation or invalidation have been filed against the opponent's marks. Therefore, the validity of their registration is not a matter that will form part of my decision.

EVIDENCE

10. As I have set out above, the opponent filed evidence with its notice of opposition and also in the form of the witness statement of Edrrish Adam Patel dated 2 October 2020. I have summarised the evidence below.

Evidence with the notice of opposition

11. In its notice of opposition, the opponent submitted evidence in the form of two statements of use by Mr Patel in respect of each of the opponent's marks. Both statements of use are accompanied by a signed statement of truth from Mr Patel. Mr Patel is the director of Ozzi Cozi Ltd. Save for the reference to the different goods protected by the opponent's marks, the statements are identical.
12. Use is being claimed in respect of all of the goods for which both of the opponent's marks are registered, being "stockings and socks" for the opponent's first mark and "articles of knitted clothing and articles of clothing made from knitted piece goods, but not including bootees or slippers" for the second. Mr Patel states the marks have been used throughout the UK.
13. In order to demonstrate use of the opponent's mark, Mr Patel has exhibited a number of documents that are all referred to in both statements. I have reviewed those documents and I have summarised their contents below.
14. The first document is a catalogue that shows the garment range of 'PALM UNDERWEAR'.¹ I note that the catalogue contains various items, including (but not limited to) tank tops, camisoles, leggings, tights and full briefs. In addition, the products shown in the catalogue are included in an accompanying price list.² Also included is a printout of an exhibition advertisement of the opponent's products and brands.³ I note that these documents are all undated.
15. An invoice is also included within the statement of use.⁴ I note that it is dated 14 December 2018 and that the recipient of the goods was RST International Limited, based in Wigston, Leicestershire. The name of the company who supplied the invoice is Ozzi Cozi Limited. The total net amount of sales was £10,064.15 plus VAT. In respect of the goods covered by the invoice, I note that it includes the sale of the following:

¹ Exhibit 1

² Exhibit 2

³ Exhibit 3

⁴ Exhibit 4

- a. 1,335 PALM branded ladies' long sleeve tops of various colours and sizes;
- b. 846 PALM branded ladies' sleeveless tops of various colours and sizes;
- c. 736 PALM branded ladies' camisoles of various colours and sizes;
- d. 765 PALM branded ladies' leggings of various colours and sizes;
- e. 552 PALM branded ladies' turtleneck of various colours and sizes;
- f. 375 PALM branded ladies' bodysuits of various colours and sizes; and
- g. 72 GUARDIAN branded men's long sleeve tops of various colours and sizes.

16. Lastly, there is a printout from the opponent's website's 'our brands' page that shows 'Palm Underwear'.⁵ I note that this printout appears to be dated 11 February 2020, which is 1) after the date of the statement of truth, and 2) outside of the relevant period.

17. Mr Patel goes on to state that the opponent manufactures between 25,000 and 50,000 units for the UK and Northern Ireland only per year, depending on demand. Mr Patel does not specify what products are manufactured.

18. Mr Patel also sets out that the opponent exhibits at three internationally renowned fashion shows, being Pure London, Moda – NEC Birmingham and INDX- AIS (Birmingham trade show). These shows are held bi-annually in line with the traditional fashion seasons, being Autumn/Winter and Spring/Summer. Mr Patel states that organising these shows costs the opponent thousands of pounds. This includes product development costs to demonstrate new products at the shows.

The Witness Statement of Edrrish Adam Patel dated 2 October 2020

19. The purpose of Mr Patel's statement is to clarify the evidence provided with the opponent's notice of opposition. Mr Patel has held the position of Business Manager and Director of Ozzi Cozi Ltd since April 2013. Mr Patel clarifies that Ozzi Cozi Ltd was formerly known as Aikon Europe Ltd and is a division of the opponent.

⁵ Exhibit 5

20. Mr Patel had included a copy of the same catalogue that was attached as Exhibit 1 to the notice of opposition.⁶ However, this copy clarifies that the garment range shown was the 2016/2017 range. Additionally, Mr Patel has included a copy of a Show Guide for the 'Pure Origin Show' that took place between 10 and 12 February 2019.⁷ Mr Patel also included a copy of the exhibitor list of the February 2019 show.⁸ An advert for Ozzi Cozi's brands is shown on the page opposite the exhibitor list and the 'PALM' brand is included on this page. I note that this appears to be the same advert that was included as Exhibit 3 of the notice of opposition.

21. Lastly, to clarify those figures provided in the notice of opposition that I have referred to at paragraph 17 above, Mr Patel submitted the following breakdown of annual sales to Ozzi Cozi Ltd customers in the UK. These figures also include the figures for sales when Ozzi Cozi Ltd was trading as Aikon Europe Ltd. The figures are as follows:

Year:	Amount (£):
2014	244,242
2015	303,860
2017	117,771
2018	94,358
2019	125,167

22. I note that there are no figures for 2016, however, this was when the rebranding from Aikon Europe Ltd to Ozzi Cozi Ltd took place. I also note that the relevant period for these proceedings runs from 27 August 2014 to 26 August 2019. Therefore, some of the figures for years 2014 and 2019 will fall outside of the relevant period.

⁶ Exhibit 6

⁷ Exhibit 7

⁸ Exhibit 8

DECISION

Section 5: legislation

23. Section 5(1) of the Act reads as follows:

“(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.”

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

“(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 earlier trade mark is protected,
or

(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 or association with the earlier trade mark.”

25. Section 5A of the Act states as follows:

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

26. 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, 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.”

27. Given their filing dates, the opponent’s marks qualify as an earlier trade marks under the above provisions.

Proof of use

28. As noted above, these are fast track opposition proceedings where the opponent’s marks have been registered for more than 5 years as at the date of the application. The opponent was, therefore, required to provide proof of use of its marks. I must now deal with the issue of whether, or to what extent, the opponent has shown genuine use of its marks. The relevant statutory provisions are as follows:

“Raising of relative grounds in opposition proceedings in case of non-use

6A-(1) This section applies where –

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of

whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

29. The onus is on the opponent, as the proprietor of the earlier marks, to show use made of the marks because Section 100 of the Act states:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

30. Pursuant to Section 6A of the Act, the relevant period for assessing whether there has been genuine use of the opponent’s marks is the 5-year period ending with the date of the application in issue i.e. 27 August 2014 to 26 August 2019.

31. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch)

Arnold J (as he then was) summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods

come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use

of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

32. Proven use of a mark which fails to establish that “the commercial exploitation of the marks is real” because the use would not be “viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark” is, therefore, not genuine use.

33. I am also guided by *Awareness Limited v Plymouth City Council*, Case BL O/236/13, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use. [...] However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

34. I also note Mr Alexander’s comments in *Guccio Gucci SpA v Gerry Weber International AG*, Case BL O/424/14. He stated:

“The Registrar says that it is important that a party puts its best case up front – with the emphasis both on “best case” (properly backed up with credible exhibits, invoices, advertisements and so on) and “up front” (that is to say in the first round of evidence). Again, he is right. If a party does not do so, it runs a serious risk of having a potentially valuable trade mark right revoked, even where that mark may well have been widely used, simply as a result of a procedural error. [...] The rule is not just “use it or lose it” but (the less catchy, if more reliable) “use it – and file the best evidence first time round – or lose it”” [original emphasis]

35. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL 0/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to

satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘show’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

Form of the Mark

36. Where the opponent has used its marks as registered, that will clearly be use upon which the opponent can rely. I note that in exhibits 1, 2, 3, 5, 6 and 8 of the opponent’s evidence, the opponent has used marks that differ to those relied upon in these proceedings. Exhibits 1, 2, 3 and 5 are either undated or fall outside the relevant period. As a result, they do not assist the opponent in the assessment of proof of use. However, exhibits 6 and 8 are dated and fall within the relevant period. I must therefore assess whether the form of the mark used in those exhibits covers the use of the mark as registered or is an acceptable variant.

37. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the Court of Justice of the European Union (“CJEU”) found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish ‘use’ within the meaning of Article 15(1)

for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35. Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term ‘genuine use’ within the meaning of Article 15(1). (emphasis added)”

38. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act as follows:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

39. Although this case was decided before the judgment of the CJEU in *Colloseum*, it remains sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark.

40. The following signs appear in the opponent's evidence:

a) Palm Underwear;



and



41. When assessing the form of the mark, I am guided by the case of *Colloseum* (cited above). I must first consider whether the opponent has used the marks and, if so, consider whether the way in which the marks are used will continue to be perceived

as indicative of the origin of the goods at issue. In respect of mark a), the answer to the first question is yes. Moving onto the second question, I consider that the additional word, being 'Underwear' will be seen as a descriptive addition and the word 'Palm' retains its independent distinctive role. Consequently, this is use of the marks as registered, upon which the opponent can rely.

42. Moving on to marks b) and c), I am of the view that the answer to the first question referred to above, is no. The reason for this is that there are sections of letters (namely 'P' and 'A'), that are missing, meaning that the use shown is not use of the word 'PALM' itself. As a result, I must now consider whether the use shown is acceptable variant use of the marks. As per the case of *Nirvana* (cited above), I must consider what is the distinctive character of the marks as registered, what are the differences between the marks used and the registered marks and do those differences alter the distinctive character of the marks. Firstly, the distinctive character of the marks is in the word 'PALM' itself. Secondly, the differences in both marks b) and c) are that the letters 'P' and 'A' in the mark have been replaced by shapes that are intended to represent those letters. Finally, I consider that the addition of the shapes, while intended to represent the missing letters, will alter the distinctive character of the marks. As a result, the use of marks b) and c) are not acceptable variant uses of the opponent's marks as registered.

43. While use of mark a) contained within the opponent's evidence will be considered for the purpose of proof of use, marks b) and c) will not. However, I do note that the evidence that contains marks b) and c) also includes mark a) and the mark as registered.

Sufficient Use

44. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.⁹

⁹ New York SHK Jeans GmbH & Co KG v OHIM, T-415/09

45. In the opponent's evidence, I note that:

- a. 4,609 units of various items of clothing bearing the word 'PALM' were sold to RST International Ltd in Wigston, Leicestershire on 14 December 2018;
- b. the invoice bears the name 'Ozzi Cozi Limited', which is a division of the opponent which I take to mean is an associated company;
- c. the opponent manufactures between 25,000 and 50,000 units a year, depending on demand;
- d. the opponent has recorded annual sales of £244,242 in 2014, £303,860 in 2015, £117,771 in 2017, £94,358 in 2018 and £125,167 in 2019.
- e. the opponent exhibits at 3 internationally renowned fashion shows that are held bi-annually and that it spends 'thousands of pounds' in organising its attendance at these shows.

46. The applicant has submitted that:

"24. The Opponent has failed to show genuine proof of use of the Earlier Marks during the Relevant Period. It does not show sufficient evidence for which goods or services the trade mark has been used, nor it has shown sufficient financial turnover, advertisements and the geographical area in which the marks are used.

25. It is therefore submitted that the Earlier Marks were not put to genuine use."

47. I remind myself that the opponent's first mark is registered for "socks and stockings" and the opponent's second mark is registered for "articles of knitted clothing and articles of clothing made from knitted piece goods, but not including bootees or slippers". I remind myself of section 6A(3)(a) of the Act which states the use must be by the proprietor or with its consent in relation to the goods or services for which the mark is registered. Therefore, I must assess whether the evidence

provided by the opponent shows use by the opponent (or with its consent) in relation to “socks and stockings” (in respect of the opponent’s first mark) and “articles of knitted clothing and articles of clothing made from knitted piece goods, but not including bootees or slippers” (in respect of the opponent’s second mark).

48. I note that in its written submissions in reply to the late evidence filed by the opponent, the applicant re-iterated that it did not consider the evidence to show use of the marks in relation to the goods relied upon.

49. I have set out above that the undated evidence together with the evidence dated outside the relevant period will not assist the opponent. I will, therefore, not take this evidence into account when making my assessment.

50. The evidence of the 2016/2017 garment range shows a number of products that are sold under the PALM brand. However, I note that none of these goods will fall within the categories of “socks and stockings” or “articles of knitted clothing and articles of clothing made from knitted piece goods, but not including bootees or slippers”, being the goods the opponent’s marks are registered for. While there are goods included that contain wool or cotton (such as the clothing that contains the Woolmark Blend certification), I do not consider that the average consumer would consider these garments to fall within the category of ‘articles of knitted clothing’ or ‘socks and stockings’. In any event, there is no accompanying evidence relating to these goods, such as evidence of sales during the relevant period.

51. The invoice provided by the opponent dated 14 December 2018 is in the name of Ozi Cozzi Limited. I will proceed on the basis that Ozi Cozzi Limited was acting with the opponent’s consent.

52. The invoice does not show any sales of ‘socks’ or ‘stockings’. While I note that it shows the sale of 765 leggings, I do not consider that socks or stockings would fall within the same category as leggings or vice versa.

53. Additionally, the invoice shows the sale of 3,844 other goods bearing the ‘PALM’ brand. This includes long sleeve tops, sleeveless tops, camisoles, turtlenecks and

body suits. I have no explanation from the opponent as to what any of these goods (or the leggings referred to above) are made of and whether or not they are articles of knitted clothing. I note that the item numbers of the goods on the invoice match with several items included on the opponent's price list. Whilst I have set out that the price list is not relevant to these proceedings, I will give them consideration in respect of this point only given that it is possible to cross reference to product numbers in both documents. Based on the product codes of the items in the invoice, it can be seen that they are all included in the 'Warmth Generation' range of the opponent's price list. I note that the fiber content of these goods is acrylic, viscose and elastane. This further reinforces my view that I have no evidence to suggest that the average consumer would consider these to be articles of knitted clothing.

54. I now move on to the opponent's comments regarding the 25,000 to 50,000 units that it manufactures per year. This statement applies to both of the opponent's marks and there is no further information provided as to what goods are actually manufactured and how many of those are sold. I note that the opponent has provided further clarification on this point in the form of the annual sales figures of Ozzi Cozi Ltd (and formerly, Aikon Europe Ltd). I bear in mind that these figures cover the sales of all products under all Ozzi Cozi Ltd brands, being Guardian, Palm, High Cross and White Swan.¹⁰ There is no information as to how these figures are broken down by brand or product. Even if I proceed on the basis that all of these figures relate to the PALM brand only, in the absence of further explanation to clarify what goods these figures relate to, the evidence provided does not show use of goods within the opponent's specifications.

55. I note that the opponent attends 3 internationally renowned fashion shows on a bi-annual basis and the opponent attends the 'Pure Origin' trade show. While I accept that the opponent attends these shows and incurs significant costs to do so, it has not provided any evidence as to what goods are advertised at the fashion/trade shows. One would expect that such an explanation or further supporting evidence would be readily available to the opponent.

¹⁰ As evidenced in Exhibit 8 of the Witness Statement of Edrrish Adam Patel

56. In summary, the case law has established that use must be by way of real commercial exploitation of the mark for the relevant goods and/or services. The opponent has failed to meet this standard. I refer to the cases of *Awareness Limited* and *Gucci* (both cited above) wherein it is made clear that the burden to demonstrate proof of use of a mark lies with the owner of that mark. Taking all of the above evidence into account, it is my view that the evidence provided does not show use of any of the goods for which the opponent's marks are registered and, therefore, falls far short of the sufficiency and solidity needed to meet the standards of proof required. I do not, therefore, consider that the opponent has demonstrated genuine use of the earlier marks during the relevant period.

57. Consequently, the opponent's marks may not be relied upon to support the opponent's claims under sections 5(1), 5(2)(a) and 5(2)(b) of the Act. As a result, the opposition must fail.

CONCLUSION

58. The opposition has failed in its entirety and the application can proceed to registration.

COSTS

59. The applicant has been successful and is entitled to a contribution towards his costs, based upon the scale published in Tribunal Practice Notice 2/2015. In the circumstances, I award the applicant the sum of **£500** as a contribution towards the costs of proceedings. The sum is calculated as follows:

Considering the notice of opposition and filing a counterstatement:	£200
Preparing written submissions in lieu:	£300
Total	£500

60. I therefore order Aikon International Limited to pay Ben Arnold the sum of £500.

This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 29th day of October 2020

A COOPER

For the Registrar