

O/1079/22

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003628651

BY CHENGCHENG DU

TO REGISTER THE FOLLOWING MARK:

Lil Peep

IN CLASS 24

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. OP000426926

BY FAE VENTURES LIMITED

Background and pleadings

1. On 19 April 2021, Chengcheng Du (“the applicant”) applied to register the trade mark shown below and the application was published for opposition purposes on 18 June 2021.

Lil Peep

2. Registration is sought for the following goods:

Class 24 Banners of textile or plastic; Bath linen, except clothing; Bed blankets; Bed covers; Blackout curtains; Canvas for tapestry or embroidery; Coverings of textile and of plastic for furniture (unfitted); Curtains for showers; Curtains for windows; Flags of textile or plastic; Mattress covers; Pillow shams; Pillowcases; Printers' blankets of textile; Sheets [textile]; Shower curtains of textile or plastic; Spun silk fabrics; Table cloths; Table mats, not of paper; Tapestry [wall hangings], of textile; Ticks [mattress covers]; Towels of textile; Turban towels for drying hair; Wall hangings.

3. FAE VENTURES LIMITED (“the opponent”) opposes the trade mark on the basis of sections 5(2)(a), 5(2)(b), and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).
4. The opposition is directed against all of the goods in the application and is reliant upon the mark below. Of the goods and services for which the mark is registered, detailed below, the opponent relies upon its Class 16 and the Class 25 goods for the purposes of its s5(2)(a) and s5(2)(b) claims.
5. Trade mark UK00917941118, filed on 8 August 2018, registered on 8 December 2018.

LIL PEEP

- Class 9 Sound, music, image, data and video recordings; digital sound, music, image, data and video recordings; recording materials used for storage and transmission of digital and analogue data, images, videos, sounds and recordings; optical-read discs for recording, reproducing, storing, transmitting and playing sound, images, music, data or video; downloadable digital music or sound files provided from the Internet; downloadable digital video, image, film and TV files and programmes provided from the Internet; downloadable digital video, image, film and TV files and programmes provided from MP4 web sites on the internet; photographs and stills in electronic form.
- Class 16 Printed matter, newspapers, periodical publications, magazines, books; photographs, pictures, prints; posters; greeting cards; postcards; catalogues; tickets; booklets; stickers; cards.
- Class 25 Clothing; Footwear; Headgear; parts, fittings and accessories for the aforementioned goods.
- Class 41 Entertainment services; sound recording and video entertainment services; concert, musical and video performances; television and radio entertainment services; production of video and/or sound recordings; presentation, production and performance of shows, musical shows, concerts, videos, multimedia videos and radio and television programmes; recording, film, video and television studio services; audio, film, video and television recording services; publishing; music publishing; sound recording, film and video production and distribution services; publication of books, magazines and other

texts; rental of films, videos and other visual media recordings; electronic publication of sound, images and data; digital music (not downloadable) provided from the Internet; arranging of concerts; management of concerts; presentation of musical concerts.

6. The opponent filed a Form TM7 and statement of grounds, received on 16 September 2021. Its section 5(2)(a) claim means that the opponent considers that the applicant's mark is identical with an earlier mark and registration is sought for similar goods as the earlier mark. For its section 5(2)(b) claim, the opponent considers the applicant's mark to be similar to an earlier mark and registration is sought for identical or similar goods.
7. The opponent also claims that its mark has acquired enhanced distinctiveness through use.
8. Under section 5(4)(a), the opponent claims that it has been using the sign "LIL PEEP" throughout the UK since 8 August 2018 for the following:
"Endorsements; clothing; headwear; music merchandise; jewellery; records (vinyl); cassettes; compact discs; digital downloads; posters; lighters." It claims that use of the applied-for mark would be contrary to the law of passing off."
9. In its statement of grounds at paragraph 1, the opponent says the following:
"Lil Peep (Gustav Elijah Ahr) was a rapper who died on 15 November 2017 of a drug overdose. Before he died, he agreed with the Opponent (and other connected companies) to a progressive split of "all rights of whatever nature, including but not limited to intellectual property rights" arising from Lil Peep's activities and products. This included merchandising rights."
10. The opponent continues at paragraphs 11 and 12:

“The Opponent has developed goodwill, jointly owned with the Estate of Gustav Elijah Ahr, in relation to endorsements and merchandising associated with the rapper Lil Peep. This includes, in particular, the sale of clothing and headwear using the mark "Lil Peep" either alone or in conjunction with symbols associated with the late rapper. The Opponent relies on *Fenty v Arcadia Group Brands Ltd* [2015] EWCA Civ 3.

If the Applicant's Mark is used in relation to each and any of the goods in Class 25, that use would be calculated to lead, and would be likely to lead, the Opponent's customers, other traders and members of the public to believe, contrary to the fact, that the Applicant's goods were endorsed by the Opponent (that is Lil Peep). Any such use would thereby cause damage to the Opponent.”

11. I take the opponent's reference to “Class 25” as an intended reference to Class 24, that being the class of goods that the applicant has applied for.
12. It is apparent from the opponent's statement of grounds that we are dealing with a claim of “false endorsement” here.
13. The applicant filed a Form TM8, a notice of defence and counterstatement, which was received on 5 January 2022. The applicant denies the claims made in respect of the similarity of the goods and contests the opponent's claims in relation to the mark's goodwill and usage “for lack of sufficient proof”.
14. Neither party filed written submissions, but the opponent did file evidence. It filed a witness statement from Justin Griffiths, Executive Vice President, Business Affairs, of the opponent, signed and dated 4 April 2022. There are also three Exhibits, JG1-JG3.
15. The applicant is represented by Akos Suele, LL.M. and the opponent is represented by Simons Muirhead Burton LLP.

Decision – section 5(2)(a)

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

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

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

(b)

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

17. 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) a European Union 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.”

18. Given their respective filing dates, the trade mark upon which the opponent relies qualifies as an earlier trade mark as defined in section 6(1) of the Act.

Case law

19. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

20. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

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

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

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

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

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

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

(g) a lesser degree of similarity between the goods or services may be offset by a greater 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 to mind the earlier mark, 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 the marks

21. The respective trade marks are shown below:

Opponent's trade mark	Applicant's trade mark
LIL PEEP	Lil Peep

22. As it is a prerequisite of section 5(2)(a) that the marks be identical, I will begin by assessing whether they are identical within the meaning of the Act and case law.

23. In *S.A. Société LTJ Diffusion v Sadas Vertbaudet SA*, Case C-291/00, the Court of Justice of the European Union ('CJEU') held that:

"54 ... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer."

24. The marks are both word marks consisting of two words "LIL PEEP"/"Lil Peep". The opponent's trade mark is fully capitalised, while the applicant capitalises the initial letter of each word. Considering that point, I refer to Mr Iain Purvis QC, sitting as the Appointed Person in *Groupement Des Cartes Bancaires v China Construction Bank Corporation*, case BL O/281/14:

"It is well established that a 'word mark' protects the word itself, not simply the word presented in the particular font or capitalization which appears in the Register of Trade Marks ... A word may therefore be presented in a different way (for example a different font, capitals as opposed to small letters, or handwriting as opposed to print) from that which appears in the Register whilst remaining 'identical' to the registered mark."

25. Bearing the above in mind, these two marks are identical.

Distinctive character of the earlier mark

26. 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).”

27. Registered trade marks possess varying degrees of distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

28. In respect of the words “LIL PEEP”, “LIL” isn’t strictly speaking a dictionary word and could therefore be seen as an invented word. However, it could also be seen as a contraction of the word “LITTLE” or an abbreviation of the female name “LILY”. The combined words, whether or not the first of the two words would be ascribed a meaning, are not suggestive of the opponent’s goods and services. Nor are they fully invented. As such, I would place the mark as of at least a medium level of inherent distinctiveness.

29. The opponent claims that its mark has acquired enhanced distinctive character through the use that has been made of it. In the context of the Class 16 and 25 goods relied upon for the section 5(2) claims, the opponent states that the mark has been used for the following goods: beanie hats; hoodies; stickers; t-shirts, long-sleeve t-shirts; prints, and posters. The unit sales for the period November 2016 to 1 April 2021 are shown below.

Merchandise	Units sold
Beanie	411
Hoodie	2255
Sticker Sheet	107
T-shirt	3345
Long Sleeve	393
Print	148
Poster	203

30. Considering these relatively small volumes of sales, for which no monetary figures are provided, as well as the fact there is no marketing spend or market share quoted, the evidence falls short of what would be required to demonstrate that the distinctive character of the mark had been enhanced through use.

Comparison of the goods

31. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment

of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

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

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and, in particular, whether they are or are likely to be found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance, whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

33. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of ‘dessert sauce’ did not include jam, or because the ordinary and natural description of jam was not ‘a dessert sauce’. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

34. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-133/05, the General Court (“GC”) stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services* (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

35. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the GC stated that “complementary” means:

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

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

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

While on the other hand:

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

37. The respective goods are set out below.

Opponent’s goods	Applicant’s goods
<u>Class 16</u> Printed matter, newspapers, periodical publications, magazines, books; photographs, pictures, prints;	<u>Class 24</u> Banners of textile or plastic; Bath linen, except clothing; Bed blankets; Bed covers; Blackout curtains; Canvas for tapestry or

<p>posters; greeting cards; postcards; catalogues; tickets; booklets; stickers; cards.</p> <p><u>Class 25</u></p> <p>Clothing; Footwear; Headgear; parts, fittings and accessories for the aforementioned goods.</p>	<p>embroidery; Coverings of textile and of plastic for furniture (unfitted); Curtains for showers; Curtains for windows; Flags of textile or plastic; Mattress covers; Pillow shams; Pillowcases; Printers' blankets of textile; Sheets [textile]; Shower curtains of textile or plastic; Spun silk fabrics; Table cloths; Table mats, not of paper; Tapestry [wall hangings], of textile; Ticks [mattress covers]; Towels of textile; Turban towels for drying hair; Wall hangings.</p>
--	--

38. I compare the opponent's "Bath linen, except clothing". "Bed blankets", "Bed covers, "Blackout curtains", "Canvas for tapestry or embroidery", "Coverings of textile and of plastic for furniture (unfitted)", "Curtains for showers", "Curtains for windows", "Mattress covers", "Pillow shams", "Pillowcases", "Printers' blankets of textile", "Sheets [textile]", "Shower curtains of textile or plastic", "Spun silk fabrics", "Table cloths", "Table mats, not of paper", "Ticks [mattress covers]" and "Towels of textile" with the opponent's "Clothing". While all of the respective goods would be used by members of the general public, they differ in terms of purpose and method of use. They also differ in nature except where the applicant's goods are made from cloth and even then they only share one characteristic. They diverge in respect of trade channels – even if the items were sold in the same department store, they would be located in different parts of the store. The respective goods are not in competition, nor are they complementary. Even in the case of "spun silk fabrics", it is established case law that goods are not complementary on the grounds that one is used in the manufacture of another good: "...raw materials subject to a transformation process are essentially different from

the finished products which incorporate, or are covered by, those raw materials...”.¹ I find the respective goods to be dissimilar.

39. I also find “Turban towels for drying hair” dissimilar to the opponent’s goods on the same basis as the analysis above. I am not persuaded by the opponent’s argument that its “headgear” is similar. The fact that a turban towel is worn on the head is secondary to the main purpose of any towel – that of drying the person.

40. I compare the applicant’s “Banners of textile or plastic” with the opponent’s “posters”. While the respective goods would be used by members of the public, they differ in nature, the applicant’s goods being made of cloth (or plastic acting as a substitute for cloth), and the opponent’s goods being made from paper. While they can both be hung on the wall, banners can also be carried.

41. There is some overlap in purpose between the respective goods. Banners often proclaim messages, which can be political, religious or festive, but they can also be used to display promotional messages. While posters commonly portray people such as pop stars and footballers, they can also be used to display promotional messages.

42. In terms of trade channels, banners might be bought from specialist banner makers, but the plastic ones could also be found in the partyware section of stationers and supermarkets. One might also buy posters from stationers and supermarkets, but from a different section. The goods are not complementary. However, there is a degree of competition in that the consumer may, for example, choose between purchasing a banner which displayed a promotional message and a poster that displayed a promotional message. I find the respective goods to be of low similarity.

¹ T-288/12 El du Pont de Nemours and Company v OHIM

43. The only thing that the applicant's "Flags of textile or plastic" have in common with the opponent's goods is that some of the opponent's goods are hung on the wall. However, flags can also be flown or carried. They are dissimilar.

44. "Tapestry [wall hangings], of textile" and "Wall hangings" with the opponent's "photographs, pictures, prints". Both sets of goods would be used by members of the public. They differ in nature, the applicant's goods being of tapestry or another material, while the opponent's goods are typically made of paper or cardboard, but they could also be made of canvas. They share the characteristics of being hung on the wall and being decorative. Inexpensive photographs, pictures and prints can also be found in homeware shops or homeware departments which are far less likely to also stock wall hangings. The goods are not complementary, but they could be in competition for those consumers looking for something decorative to hang on the wall. I find the respective goods to be of medium similarity.

45. As some degree of similarity between the services is required for there to be a likelihood of confusion², the opposition must fail in respect of the following goods in the applicant's specification:

Class 24 Bath linen, except clothing; Bed blankets; Bed covers; Blackout curtains; Canvas for tapestry or embroidery; Coverings of textile and of plastic for furniture (unfitted); Curtains for showers; Curtains for windows; Flags of textile or plastic; Mattress covers; Pillow shams; Pillowcases; Printers' blankets of textile; Sheets [textile]; Shower curtains of textile or plastic; Spun silk fabrics; Table cloths; Table mats, not of paper; Ticks [mattress covers]; Towels of textile; Turban towels for drying hair.

² *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA

The average consumer and the nature of the purchasing act

46. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which the goods and services are likely to be selected by the average consumer. 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 (as he then was) 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.”

47. The competing goods – wall hangings and photographs, pictures, and prints, would be bought by a member of the general public. While they can be very expensive, they are generally of mid or low cost. Thought would be given by the consumer to matters of aesthetics. I would place the level of attention paid as being medium.

48. When making a purchase of a banner, wall hanging, poster or picture in an art shop or homeware department, visual factors would predominate. Verbal aspects of the purchasing process would play a lesser role, although dialogue with a shop assistant might be required on occasion.

Likelihood of confusion

49. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, 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 or services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's trade mark, the average consumer for the goods and the nature of the purchasing process.

50. The marks in this case are identical and the mark has at least a medium level of inherent distinctiveness. However, I have found all of the goods, with the exception of three terms, to be dissimilar. As such, I find that there is a likelihood of confusion only for those three terms. The terms in question are of a medium or low level of similarity and would be subject to a medium level of attention on the part of the average consumer.

Outcome of Section 5(2)(a) Ground

51. The opposition has succeeded in relation to the following goods, for which the application is refused:

Class 24 Banners of textile or plastic; Tapestry [wall hangings], of textile; Wall hangings.

52. The section 5(2)(a) ground has failed in respect of the following goods:

Class 24 Bath linen, except clothing; Bed blankets; Bed covers; Blackout curtains; Canvas for tapestry or embroidery; Coverings of textile and of plastic for furniture (unfitted); Curtains for showers; Curtains for windows; Flags of textile or plastic; Mattress covers; Pillow shams; Pillowcases; Printers' blankets of textile; Sheets [textile]; Shower curtains of textile or plastic; Spun silk fabrics; Table cloths; Table mats, not of paper; Ticks [mattress covers]; Towels of textile; Turban towels for drying hair.

53. As I have found the marks to be identical, I have not needed to consider the opponent's claim under section 5(2)(b). To do so would have made the opponent no better off.

Decision – section 5(4)(a)

54. 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.”

55. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

56. In *Discount Outlet v Feel Good UK*³, 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:

³ [2017] EWHC 1400 IPEC

“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).”

57. Halsbury’s Laws of England Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

“Establishing a likelihood of deception generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation¹ 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 indicium which is the same or sufficiently similar that the defendant’s goods or business are from the same source² or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which 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 claimant and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the claimant;
- (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 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”.

The relevant date

58. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*⁴ Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive

⁴ BL O-410-11

89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.”

59. As there is no indication that the contested mark has been used prior to the application for registration, the relevant date for the assessment is the filing date, i.e. 19 April 2021.

Goodwill

60. The first hurdle for the opponent is to show that they had the required goodwill at the relevant date. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), the Court stated:

“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.”

61. Goodwill, which is protectable under the law of passing off, must be more than trivial: *Hart v Relentless Records* [2002] EWHC 1984 (Ch). However, a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its goodwill and reputation may be small: see *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590.

62. More recently, in *Smart Planet Technologies, Inc. v Rajinda Sharm* [BL O/304/20], Thomas Mitcheson QC, sitting as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes

of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. Mr Mitcheson concluded that:

“[...] a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon”.

Smart Planet Technologies was a passing off case where the evidence showed invoices to two customers totalling €939 and €2291 for around 40,000 paper cups. There was evidence in that case that the UK market in paper cups was approximately 2.5 billion paper cups per year and only limited evidence of advertising in the UK. Mr Mitcheson found at [37] to [40] of his decision that the evidence “fell well short of what [...] would have been necessary to establish sufficient goodwill to maintain a claim of passing off”.

Evidence

63. The evidence in support of the claim to goodwill is provided by Justin Griffiths, Executive Vice President, Business Affairs, of the opponent. I have already touched on it when considering the claim under section 5(2), but I will go into more detail here.

64. At paragraph 6 of Mr Griffiths’ witness statement is a table showing “the total number of streams of Lil Peep music from users based in the United Kingdom from 2017 to April 2021 as follows”:

Year	Total quantity of streams
2017/2018	70,028,656

2019	137,418,759
2020	105,216,168
To April 2021	87,237,395
Total	399,900,978

65. Paragraph 7 then shows a detailed breakdown off the number of units of Lil Peep merchandise sold “from main merchandise seller The Hyv in the United Kingdom between November 2016 and 1 April 2021 is as follows”:

Merchandise	Units sold
Beanie	411
Hoodie	2255
Sticker Sheet	107
T-shirt	3345
Long Sleeve	393
CD	91
Print	148
Poster	203
Grinder	108
Lighter	233
Cassette	81
Dog Tag	40

66. Exhibit JG1 shows the November 2016 joint venture agreement between Lil Peep and the opponent for all rights and profits, including from “any sponsorship endorsement branding or merchandising”.

67. Exhibit JG2 consists of photographs of Lil Peep merchandise based on the table of merchandise unit sales above: two hoodies; a beanie hat; stickers; a t-shirt; a long-sleeve t-shirt; 2 lighters; 2 dog tags; a poster; a photograph; a cassette; a vinyl album; an item that I cannot identify (I assume this is a grinder as that is the only example of an item that I cannot see from the

above list); another 3 t-shirt shirts, and another hoodie. Finally, there are two pages which show a sticker extract, a vinyl album, and a hoodie, followed by a sticker extract, a vinyl album, and two dog tags. Some of the photographs are accompanied by links to the [hyv.shop](#), but none of the photographs are dated. However, Mr Griffiths attests that the photographs are “representative examples” of Lil Peep merchandise. One such example is the first photograph in the exhibit, which is a black hoodie featuring the sign “LIL PEEP” in stylized white lettering. Another is the group of three t-shirts: none of these show the “LIL PEEP” sign, but one has a crying bird symbol which the opponent says is associated with Lil Peep and the other two feature Lil Peep’s album title, “Come Over When You’re Sober”.

68. Exhibit JG3 consists of evidence of Lil Peep’s social media following. As of April 2022, he has 7.5m followers on Instagram, 955,000 on Twitter, 8.35m subscribers on YouTube, and 1.9m followers on Facebook. Mr Griffiths attests that these figures wouldn’t have been “materially different” at the relevant date.

Analysis

69. The figures for units of merchandise sold are quite small and are not supported by any monetary figures in respect of the revenue that would equate to the unit sales. Nor does the opponent supply any figures in respect of market share or marketing spend. However, given that small amounts of goodwill can be protectable, I consider that there is a small level of goodwill for clothing and headwear when the unit sales of these items are totalled up. Mr Griffiths’ witness statement says that Lil Peep merchandise “includes, in particular, the sale of clothing and headwear using the mark “Lil Peep”” and the applicant has not challenged this statement.

70. The opponent has shown that a not insignificant number of streams have been achieved up to the relevant date and that Lil Peep has a social media following. However, I am reminded that the opponent has provided no monetary information as to the value of the streams, nor has it offered any

evidence as to any marketing spend or what its market share in the music market was at the relevant date. Furthermore, I also note that streams are not the same as “digital downloads”. The former involves a file remaining on the music company’s website and being accessed live, while the latter requires a file to be saved to a person’s device so that it can be consumed there and then, or at a later date.

71. I do not think that the opponent has provided sufficient evidence to show goodwill for digital downloads.

72. I dismiss the opponent’s claims in respect of music merchandise (except where it takes the form of clothing and headgear); jewellery; records (vinyl); cassettes; compact discs; digital downloads; posters, and lighters.

73. Having looked at the opponent’s claim to have goodwill in particular goods, I now move on to its claim to have goodwill in “endorsements”.

74. I am reminded that in *Irvine & Ors v Talksport Limited* [2002] EWHC 367 (Ch), Laddie J (at first instance) gave a thorough analysis of the development of the tort of passing off and concluded that:

“It follows from the views expressed above that there is nothing which prevents an action for passing off succeeding in a false endorsement case. However, to succeed, the burden on the claimant includes a need to prove at least two, interrelated, facts. First that at the time of the acts complained of he had a significant reputation or goodwill. Second that the actions of the defendant gave rise to a false message which would be understood by a not insignificant section of his market that his goods have been endorsed, recommended or are approved of by the claimant.”⁵

75. It is important to note that each passing off case turns on its own particular facts. In *Irvine*, Laddie J had taken judicial notice of the fact that famous people frequently exploit their names and images to endorse goods and

⁵ Paragraph 46

services. He was in no doubt that Eddie Irvine, a prominent Formula 1 racing driver, had a substantial reputation or goodwill and that he would have been well known by the general public and even more well known by those who seek the endorsement of sports stars of their goods and services. This finding was unchallenged on appeal. In *Fenty v Arcadia Group Brands Ltd* [2015] EWCA Civ 3*Fenty*, Birss J (as he then was) found that pop star Rihanna ran a significant merchandising and endorsement business and that the scope of her goodwill encompassed fashion as well as music. The judge was careful to stress that his decision was heavily fact-dependent:

“The mere sale by a trader of a t-shirt bearing an image of a famous person is not, without more, an act of passing off. However, the sale of this image of this person on this garment by this shop in these circumstances is a different matter.”⁶

76. In this case, the opponent has provided no evidence of the extent of Lil Peep’s notoriety or fame, other than the number of streams and social media followers. There is no further evidence provided, such as press cuttings or surveys, which can help me to determine whether Lil Peep is well known within the confines of his particular genre of rap music, within the music business generally, or even known beyond the constituency of music fans in general. Consequently, the opponent’s claim of false endorsement fails.

Misrepresentation

77. The assessment of misrepresentation, which is the second limb of a passing off claim, depends upon deception among the consumers by the use or proposed use of a similar sign adopted by the applicant. I have already found that clothing and headwear are dissimilar to the applicant’s Class 24 goods.

⁶ Paragraph 75

78. While no common field of activity is required under section 5(4)(a), considering the gap as regards the respective fields of activity, and the small level of goodwill, it is difficult to see how a misrepresentation would occur. In the absence of misrepresentation, there is no damage. I would reach the same conclusion if I had found that Lil Peep had goodwill relating to endorsements. The evidence does not show that he would have been sufficiently well known to the public for them to be deceived into thinking that the applicant's goods were endorsed by him.

Conclusion

79. The opposition claim based upon section 5(4)(a) is dismissed in its entirety.

Overall conclusion

80. The opposition section 5(2)(a) claim has succeeded in relation to the following goods, for which the application is refused:

Class 24 Banners of textile or plastic; Tapestry [wall hangings], of textile; Wall hangings.

81. The application will proceed to registration, subject to appeal, in respect of the following goods:

Class 24 Bath linen, except clothing; Bed blankets; Bed covers; Blackout curtains; Canvas for tapestry or embroidery; Coverings of textile and of plastic for furniture (unfitted); Curtains for showers; Curtains for windows; Flags of textile or plastic; Mattress covers; Pillow shams; Pillowcases; Printers' blankets of textile; Sheets [textile]; Shower curtains of textile or plastic; Spun silk fabrics; Table cloths; Table mats, not of paper; Ticks [mattress covers]; Towels of textile; Turban towels for drying hair.

82. Subject to any appeal, the opposition claim based upon section 5(4)(a) is dismissed in its entirety.

Costs

83. The applicant has been almost entirely successful. However, the applicant filed no written submissions and gave no indication that it had considered the other side's evidence. I award costs to the applicant in line with Annex A of Tribunal Practice Notice 2 of 2016:

Considering the opposition and preparing a counterstatement:	£300
Total:	£300

84. I order FAE VENTURES LIMITED to pay Chengcheng Du the sum of £300. This sum is to be paid within twenty-one days 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 7th day of December 2022

JOHN WILLIAMS
For the Registrar