

O/1118/22

TRADE MARKS ACT 1994

**IN THE MATTER OF
TRADE MARK APPLICATION NO. UK00003687282
BY MUST BE GROUP LTD
TO REGISTER:**

Must Be Stolen

**AS A TRADE MARK
IN CLASSES 18, 25, 26 AND 35.**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 430572
BY KHALLIL VAN MAARSEVEEN**

Background and pleadings

1. Must Be Group Ltd (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK on 27 August 2021. The application was accepted and published in the Trade Marks Journal on 29 October 2021 in respect of the following goods and services:

Class 18: *Bags; luggage, bags, wallets and other carriers.*

Class 25: *T-shirts; hoodies; jeans; sweatshirts; shirts; shorts; jackets; coats; footwear; clothes.*

Class 26: *Accessories for apparel, sewing articles and decorative textile articles.*

Class 35: *Online retail services relating to clothing; online retail services relating to handbags; online retail services relating to luggage; online retail store services relating to clothing.*

2. On 27 January 2022, Khallil van Maarseveen (“the opponent”) filed a notice of opposition on the basis of section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opposition is directed at the following goods and services in the applicant’s mark.

Class 25: *T-shirts; hoodies; jeans; sweatshirts; shirts; shorts; jackets; coats; footwear; clothes.*

Class 35: *Online retail services relating to clothing; online retail store services relating to clothing.*

3. The opponent relies on the following trade mark:

STOLEN

UK Registration no. UK00003624995

Filing date 12 April 2021; date of entry in register 5 November 2021.

Relying on the following goods:
("the opponent's mark")

Class 25: *Clothing; hats; footwear.*

4. The opponent submits that there is a likelihood of confusion because the applicant's mark is similar to its own mark and the respective goods and services are identical or similar. The applicant filed a defence and counterstatement denying the claims made.

5. The applicant is represented by Daniel Dimov; the opponent is represented by London IP Ltd. While neither party filed evidence, the opponent filed submissions during the evidential rounds. No hearing was requested and neither party filed submissions in lieu. This decision is taken following a careful perusal of the papers.

6. 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 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.

Preliminary issue

7. In his counterstatement the applicant states:

"Besides, it should be noted that the opponent's trademark "STOLEN" does not have any distinctive character because one of the meanings of the word "STOLEN" is something acquired at a cost far below its value. The word "STOLEN" may also mean "bargain". Hence, it is a mere promotional word widely used by traders all over the world. By filing this opposition, the opponent attempts to monopolize the promotional word "STOLEN", thus limiting traders from promoting their products by using a dictionary word. Pursuant to Section 3(1)(b) of the Trade Marks Act 1994, trademarks which are devoid of any distinctive character are not registrable."

For the avoidance of doubt, this is an opposition based on 5(2)(b) grounds only and the question as to whether the mark is objectionable under section 3(1)(b) of the Act is not at issue. Therefore, the comments above from the applicant are not relevant to these proceedings.

Section 5(2)(b): legislation and case law

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

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

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

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

9. Section 5A of the Act is as follows:

“5A 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.”

10. 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.”

11. Given its filing date, the opponent’s mark qualifies as an earlier trade mark under the above provisions. The opponent’s mark had not completed its registration process more than five years before the application date of the applicant’s mark. The conditions of use do not, therefore, apply to the mark and the opponent can rely on all the goods for which its mark is registered.

12. 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 impression 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 goods and services

13. The goods and services to be compared are as follows:

Applicant's goods and services	Opponent's goods
<u>Class 25</u> <i>T-shirts; hoodies; jeans; sweatshirts; shirts; shorts; jackets; coats; footwear; clothes.</i>	<u>Class 25</u> <i>Clothing; hats; footwear.</i>

<p><u>Class 35</u> <i>Online retail services relating to clothing; online retail store services relating to clothing.</i></p>	
---	--

14. When making the comparison, all relevant factors relating to the services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“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”.

15. Guidance on this issue has also come from Jacob J. (as he was then) 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.”

16. 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:

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

17. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.

18. In *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14, Mr Geoffrey Hobbs K.C. as the Appointed Person reviewed the law concerning retail services v goods. He said (at paragraph 9 of his judgment) that:

“9. The position with regard to the question of conflict between use of **BOO!** for handbags in Class 18 and shoes for women in Class 25 and use of **MissBoo** for the Listed Services is considerably more complex. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is requested in general terms; (iii) for the purpose of determining whether such an application is objectionable under Section 5(2)(b), it is necessary to ascertain whether there is a likelihood of confusion with the opponent’s earlier trade mark in all the circumstances in which the trade mark applied for might be

used if it were to be registered; (iv) the criteria for determining whether, when and to what degree services are ‘similar’ to goods are not clear cut.”

19. However, on the basis of the European courts’ judgments in *Sanco SA v OHIM*, and *Assembled Investments (Proprietary) Ltd v. OHIM*, upheld on appeal in *Waterford Wedgewood Pic v. Assembled Investments (Proprietary) Ltd*, Mr Hobbs K.C. concluded that:

- i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer’s point of view, they are unlikely to be offered by one and the same undertaking;
- ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services normally associated with the opponent’s goods and then to compare the opponent’s goods with the retail services covered by the applicant’s trade mark;
- iii) It is not permissible to treat a mark registered for ‘retail services for goods X’ as though the mark was registered for goods X;
- iv) The General Court’s findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party’s trade mark was registered (or proposed to be registered).

Class 25

20. Although phrased slightly differently, “*clothes*” in the applicant’s specification is self-evidently identical to “*clothing*” in the opponent’s specification.

21. “*Footwear*” appears in both parties’ specifications and is self-evidently identical.

22. “*Clothing*” in the opponent’s specification is a very broad category that encompasses “*t-shirts*”, “*hoodies*”, “*jeans*”, “*sweatshirts*”, “*shirts*”, “*shorts*”, “*jackets*” and “*coats*” in the applicant’s specification. On that basis, I find the following goods to be identical on the principle outlined in *Meric*.

Class 35

23. As set out in the case law reproduced above, the GC has explained that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore, similar to a degree. It is common for producers of various types of clothing products to also retail in those goods. For example, a manufacturer of clothing may operate its own retail stores that exclusively sell their goods. In addition, those goods may be listed for sale on the manufacturer's website directly rather than via third party retailers. In my view, the average consumer will be aware of the complementary relationship between the producer of these types of goods and the retailing of the same. For the opponent's goods in class 25 i.e. "clothing", it follows that a medium degree of similarity exists between the opponent's goods and the services in the applicant's class 35 specification which relates to identical goods. I, therefore, find that "*online retail services relating to clothing*" and "*online retail store services relating to clothing*" in the applicant's specification are similar to a medium degree with "*clothing*" contained in the opponent's specification:

Average consumer and the purchasing process

24. As the law above indicates, it is necessary for me to determine who the average consumer is for the 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 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."

25. The average consumer for the goods at issue are the general public at large. The goods are most likely to be sold through a range of clothing retailers and their online or catalogue equivalents. In physical retail premises, the goods at issue will be displayed on shelves or racks, where they will be viewed and self-selected by the customer. A similar process will apply to websites and catalogues, where the consumer will select the goods having viewed an image displayed on a webpage or in a catalogue. This means that the mark will be seen and so the visual element of the mark will be the most significant: see *New Look Limited v OHIM*, Joined cases T-117/03 to T-119/03 and T-171/03, paragraph 50. Visual considerations, therefore, dominate the selection process, although I do not discount an aural component playing a part. The price and frequency of the purchase of the goods at issue may vary. Even where the goods are of low cost and purchased relatively frequently, a number of factors will still be considered by the average consumer during the purchasing process. When selecting the goods at issue the average consumer may consider current fashion trends, price, quality and suitability. With this in mind, I consider that the average consumer will pay a medium degree of attention during the purchasing process.

26. Turning to the services, I find that members of the general public at large will be the average consumer for online retail services. For online retail services, these are likely to be selected after viewing online advertising or search engine links. For all the services at issue visual considerations will be an important part of the selection process. Such services are also likely to be the subject of word-of-mouth recommendations meaning that aural considerations will not be an insignificant feature of the selection process. When selecting all the services at issue, the average consumer is likely to consider such things as stock, price of goods offered in comparison to other retailers, delivery method and experience/knowledge of the staff. I am of the view that the average consumer is likely to pay a medium degree of attention during the selection process for the services.

Comparison of the marks

27. The respective trade marks are shown below:

STOLEN	Must Be Stolen
The opponent's mark	The applicant's mark

28. It is clear from *Sabel BV v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to all the overall impressions created by the trade 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.”

29. 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.

Overall impression

30. The opponent's mark consists of the word only mark STOLEN. This mark is presented in upper case. There are no other elements that contribute to the overall impression of the mark. The applicant's mark consists of the words “Must Be Stolen”. This mark is presented in title case. The opponent submits that the dominant element of the applicant's mark is the word is ‘Stolen’. Whereas the applicant submits that the

average consumer will not pay attention to the word 'Stolen' which is the last and least important element of the applicant's mark. I disagree with both parties. In my view, the applicant's mark will be viewed as a unit by the average consumer and, therefore, read as 'Must Be Stolen'. The distinctive character of the mark is created by the combination of the three words with no one word dominating.

31. The opponent also submits that the words 'Must Be' from the applicant's mark could easily be seen by the average consumer as making a statement that the goods 'must be' the 'STOLEN' goods brand. I will explore this argument in the likelihood of confusion section of this decision.

Visual comparison

32. Visually the marks share the word 'STOLEN'. This is the only element in the opponent's mark. The words 'Must Be' in the applicant's mark are not present in the opponent's mark and constitute a visual difference. Taking all this into account, I am of the view that the marks are visually similar to a medium degree.

Aural comparison

33. The parties' marks will be pronounced in the ordinary way and the common element 'STOLEN' will be pronounced identically. However, the additional element of 'Must Be' in the applicant's mark creates a point of aural difference. Taking all of this into account, I consider the marks to be aurally similar to a medium degree.

Conceptual comparison

34. The applicant submits that the word 'Stolen' has more than one meaning, one of which being something that is acquired at a cost far below its value and another meaning being that it is a bargain. Whilst I recognise that members of the average consumer may say that something 'is a steal' when it is a bargain, it is not my view that the word 'Stolen' would be used in the same context. When considering the word 'Stolen', I am of the view that the average consumer will attribute meaning as being

the past participle of the word steal, which means taking away something from someone without their permission and without the intention to return it.

35. In relation to the applicant's mark, the concept of 'STOLEN' in the opponent's mark will be understood as set out above. As for the addition of the words 'Must Be' before 'Stolen' in the applicant's mark, they will reinforce the concept conveyed by the word 'Stolen' in that it alludes that the goods and services at issue are so amazing that they would have to be stolen or that they are so expensive that you cannot afford them and steal them instead. Overall, I am of the view that both marks are dominated by the concept of the goods/ services being 'STOLEN'. While I accept that the words 'Must Be' are a point of conceptual difference, I am of the view that it is slight in that it does not take away from the concept of the goods/services being stolen, only reinforces it. Taking all of this into account, I am of the view that these marks are conceptually similar to a high degree.

Distinctive character of the opponent's mark

36. 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 C108/97 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).”

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

38. The opponent has not pleaded that the mark has acquired enhanced distinctive character through use and it has not filed evidence to support such a claim, therefore, I have only the inherent position to consider.

39. The opponent submits that whilst the words ‘Must Be’ will need to be taken into account they could be seen as an advertising slogan or promotional phrase, promoting the STOLEN brand; it is not my view that it will be viewed as a slogan or promotional phrase. Further, it is not my view that this is relevant to my assessment as there is no evidence of the mark being used in a promotional capacity.

40. I note that the applicant submits in its counterstatement that the opponent’s mark is devoid of any distinctive character as it is a mere promotional word widely used by traders all over the world. I disagree with this submission. I note that section 72 of the Act provides that registration is prima facie evidence of its validity. Consequently, in the absence of any challenge to the validity of the opponent’s mark (by way of an application for invalidation), the opponent’s mark is validly registered and has a measure of distinctive character.

41. The opponent’s mark consists of the word ‘STOLEN’ which is a recognised English word. The word has no direct meaning in relation to the goods in class 25. While I accept that the word ‘STOLEN’ is not descriptive, it is not, from a trade mark perspective, particularly remarkable. Therefore, I find the opponent’s mark enjoys a medium degree of inherent distinctive character.

Likelihood of confusion

42. 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. 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 and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier marks, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact 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 s/he has retained in his/her mind.

43. I have found the marks to be visually and aurally similar to a medium degree and conceptually similar to a high degree. I have identified the average consumer as the general public who will purchase/select the goods and services by visual means (although I do not discount an aural component). I have concluded that a medium degree of attention will be paid during the purchasing process. I have found the opponent's mark to be inherently distinctive to a medium degree. I have found the goods and services to vary from identical to similar to a medium degree.

44. Taking all the above and the principle of imperfect recollection into account, I am of the view that the average consumer is likely to misremember or mistakenly recall the marks for one another. This is particularly the case given that both marks share the common element, being the word 'STOLEN'. I also bear in mind that while it is the beginnings of marks where the average consumer tends to focus,¹ (being where the point of difference between these marks lies), I am reminded that similar ends of marks may also be capable of giving rise to a likelihood of confusion.² I note that the marks are conceptually similar to a high degree and share a conceptual hook. I do not consider that the presence of 'Must Be' at the beginning of the applicant's mark is sufficient to avoid the marks being misremembered or mistakenly recalled. While it will

¹ *El Corte Ingles, SA v OHIM*, Cases T-183/02 and T-184/02

² *Bristol Global Co Ltd v EUIPO*, T-194/14

not be overlooked, I make this finding on the basis that 'Must Be' in the unit 'Must be Stolen' does not take away from the concept of 'Stolen' or change the concept of the mark as a whole in a way that renders it sufficient enough to be an element that the consumer will accurately recall or remember. When confronted with both marks on identical goods, it is the 'STOLEN' element that will be recalled/remembered by the average consumer. Consequently, bearing in mind that the average consumer rarely has the chance to make direct comparisons between trade marks and, instead must rely on the imperfect picture of them retained in his/her mind, I consider that there is a likelihood of direct confusion between the marks. This finding applies even in for the services that I find to be similar to a medium degree. I will now proceed to consider indirect confusion.

45. Indirect confusion was described in the following terms by Iain Purvis K.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“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 or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

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

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply

even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

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

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

46. Indirect confusion involves the recognition by the average consumer of the differences between the marks. Even if the differences between the marks are taken into account, I do not consider that the presence of the words ‘Must Be’ at the beginning of the applicant’s mark will be sufficient enough for the average consumer to consider that the applicant’s mark originates from a different or unconnected undertaking to that of the opponent. In support of this, I note that the opponent submitted that in the applicant’s mark, the words ‘Must Be’ could easily be seen by the average consumer as making a statement that the goods ‘Must Be’ the ‘STOLEN’ brands’ goods. I agree with the opponent’s submission. I am of the view that there are scenarios where the opponent’s mark could be seen as a logical brand extension or re-branding of the applicant’s mark. This is on the basis that the average consumer is likely to believe that, when confronted with both marks, the removal of ‘Must Be’ in the applicant’s mark would be a logical step for an undertaking to take if undergoing a rebranding or where it was looking to extend its reach into other areas of business. In the present circumstances relating to the goods and services at issue, for example, it is possible that the opponent’s goods would be retailed in the applicant’s online retail store. It is my understanding that there are online retailers that sell many brands as well as their own brand of clothing and accessories. In this scenario, I am of the view that when the average consumer is confronted with ‘STOLEN’ on clothing at a ‘Must Be Stolen’ online retailer, it is likely that ‘STOLEN’ will be viewed as that store’s in-house brand. In this circumstance, the removal of ‘Must Be’ is logical and I am of the view that the average consumer would reach the same conclusion. In my view, this points to the marks coming from the same or economically connected undertakings.

Although the present circumstances do not fall neatly in the categories outlined by Mr Iain Purvis K.C., and it is not an example of indirect confusion as set out by him in the case of *L.A. Sugar*, I bear in mind that the examples given in that case are not exhaustive. Consequently, I consider that there is a likelihood of indirect confusion between the marks for all of the goods and services at issue.

Conclusion

47. The opposition succeeds in full. The application will, therefore, be refused for all the goods and services for which registration is sought.

Costs

48. The opponent has been successful as it is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Note 2/2016. In the circumstances, I award the opponent the sum of £600 as a contribution towards its costs. The sum is calculated as follows:

Preparing a statement and considering the other parties' statement	£300
Preparing written submissions in lieu	£200
Official fee	£100
Total	£600

49. I, therefore, order Must Be Group Ltd to pay Khallil van Maarseveen the sum of £600. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 19th day of December 2022

A Klass

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