

O/0104/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3585876

AND THE REQUEST BY BS-LAB LTD

AND SAM AND JET FASHION (HK) CO. LTD

TO REGISTER THE TRADE MARK

CARRIER GOODS

IN CLASSES 18 AND 25

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 430997

BY CARRIER COMPANY NORFOLK LTD

Background and pleadings

1. On 27 January 2021 joint applicants BS-LAB Ltd and Sam And Jet Fashion (HK) Co. LTD (“**the Applicants**”) applied to register the plain text words “CARRIER GOODS” as a UK trade mark. On 12 November 2021, the application was published for opposition purposes in respect of the following goods:

Class 18: Casual bags, cosmetic bags, toiletry bags, cross body bags, duffel bags, school bags, sports bags, bags for umbrellas, hand bags, evening bags, flight bags, boot bags, back packs.

Class 25: Clothing; Socks; Footwear.

2. On 11 February 2022, the contested application was opposed, in full by Carrier Company Norfolk Ltd (“**the Opponent**”) under section 5(4)(a) of the Trade Marks Act (“**the Act**”). The Opponent relies upon the following two signs:

The word sign

<p>CARRIER COMPANY Used throughout the UK since 1995.</p>	<p>Used in respect of bags of all descriptions including (without limitation) jute bags, gardening bags, gardener’s pail, oilskin carriers, log carriers, log bags, kindling sacks, boot bags, canvas satchels, toy buckets, market bags, traveller bags, flight bags, treasure bags, handbags, casual bags, potato bags, sturdy bags, beach bags, back packs, beach carriers and shopper bags. Numerous clothing and headgear items including (without limitation) shirts, t-shirts, aprons, smocks, trousers, skirts, shorts, dresses, waistcoats, socks, jumpers, cardigans, jackets, coats, scarves, wraps, belts, hats, boiler suits, capes, dungarees, jerkins, braces, pyjamas, nightshirts and dressing gowns. Associated items and accessories such as ground sheets, kneelers, windbreaks and toasting forks.</p>
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The figurative sign

 <p>Used throughout the UK since 2014.</p>	<p>Used in respect of bags of all descriptions including (without limitation) jute bags, gardening bags, gardener's pail, oilskin carriers, log carriers, log bags, kindling sacks, boot bags, canvas satchels, toy buckets, market bags, traveller bags, flight bags, treasure bags, handbags, casual bags, potato bags, sturdy bags, beach bags, back packs, beach carriers and shopper bags. Numerous clothing and headgear items including (without limitation) shirts, t-shirts, aprons, smocks, trousers, skirts, shorts, dresses, waistcoats, socks, jumpers, cardigans, jackets, coats, scarves, wraps, belts, hats, boiler suits, capes, dungarees, jerkins, braces, pyjamas, nightshirts and dressing gowns. Associated items and accessories such as ground sheets, kneelers, windbreaks and toasting forks.</p>
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The Opponent's case

3. The Opponent makes largely the same submissions in respect of its word and figurative signs. The point of difference concerns the logo in the figurative sign, which the Opponent describes as a "simple device logo with low stylisation". The Opponent submits that the words "CARRIER COMPANY" are dominant in the figurative sign. In respect of both signs, the Opponent submits that:

(i) it is a significant UK manufacturer, supplier and retailer of the goods claimed; it has used its word sign since 1995 and its figurative sign since 2014 and has developed and acquired valuable business goodwill through its considerable trading history.

(ii) the contested mark and the Opponent's signs must be seen as similar to an extremely high degree because they share the dominant first element "CARRIER", which is the distinctive element in the contested mark due to the descriptive nature of the word "GOODS". The Applicant's goods under classes 18 and 25, are

clearly identical with, or highly similar to those provided by the Opponent. Use of the contested mark is likely to cause confusion in the minds of the public that the Applicant's goods are associated with, or connected with that of the Opponent and the mark may be likely to create the impression that it is a variant or development of the earlier signs.

(iii) the Opponent's goodwill stands to be damaged by the Applicant's use of the contested mark, with substantial damage to the Opponent's reputation and goodwill being likely to result where the public believes the Applicant's goods are associated with or connected with that of the Opponent.

The Applicant's case

4. The Applicants filed a counterstatement, denying the grounds of opposition and putting the Opponent to strict proof of the ground of opposition relied upon.

Specifically, the Applicants:

(i) deny that the Opponent has goodwill in the CARRIER COMPANY and



signs and put the Opponent to strict proof of the claimed goodwill.

(ii) deny that the contested mark and signs are similar, and put the Opponent to strict proof of this allegation.

(iii) deny that use of the contested mark would amount to a misrepresentation by the Applicants and puts the Opponent to strict proof of the allegation.

(iv) deny that the application would cause potential damage to the goodwill of the Opponent and/or that use of the contested mark would cause confusion in the minds of the public and put the Opponent to strict proof of these allegations.

Representation and papers filed

5. Only the Opponent filed evidence in these proceedings, through the witness statement, dated 27 June 2022, of Vincenzo Leonardo Cilenti, Director of Carrier Company Norfolk Ltd. Mr Cilenti introduces 13 Exhibits, numbered VC1 to VC13, showing use of its signs.

6. In these proceedings, the Opponent is represented by JP Mitchell Solicitors, the Applicants by Appleyard Lees IP LLP. Neither party filed submissions beyond those made in the notice of opposition and the defence and counterstatement. Neither party requested a hearing and so this decision is taken following a careful review of the papers.

Decision

7. 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 upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

Section 5(4)(a)

8. 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.”

9. 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.”

10. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “a substantial number” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

11. 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 reputation among a relevant class of persons; and

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

While it is helpful to think of these two factual elements as 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”.

12. The requisite goodwill must be based on the presence of customers in the UK. Customers situated elsewhere do not contribute to the required goodwill in the UK.¹

13. In the absence of evidence of use of the contested mark by the Applicants from a date prior to the date of filing the contested application, the relevant date for establishing the Opponent's claimed passing off right is the filing date of the application, in this case 27 January 2021. Events after that date are, in principle,

¹ See *Starbucks (HK) Limited and Another v British Sky Broadcasting Group Plc & Others*, [2015] UKSC 31.

irrelevant, except to the extent that they shed light backwards on the position at the relevant date.²

14. The Opponent must show that its business had sufficient goodwill which was



distinguished by use of the signs CARRIER COMPANY and at the relevant date so that it can be concluded that misrepresentation would occur, and damage would follow. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1902] AC 217 at 223:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

Goodwill in the UK

15. Mr Clienti's witness statement sets out the heritage of the Opponent, confirming that trading under the “Carrier Company” sign began in 1995 when the business was established by Tina Guillory. The business was initially run as a sole trader and was incorporated in 2016.³ Ms Guillory, a gardener and environmentalist, wanted to provide traditional workwear and products primarily for use in outdoor activities such as gardening, gathering firewood or fishing.

16. Mr Clienti explains that the business has grown steadily since its inception, starting out with less than £20,000 sales between 1995 and 1998, growing to almost £0.5 million in sales in 2019, with an increased rate of growth in 2020, when almost £0.8 million in sales were made. Mr Clienti's evidence confirms these sales through copies of profit and loss accounts for the business⁴ and data from the Opponent's internal accounting/sales systems which shows the total number of orders by quarter

² *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11.

³ Exhibit VC1.

⁴ Exhibit VC3.

between April 2018 and December 2020.⁵ These internal records confirm that sales each quarter varied between around 600 and almost 3,000 sales. While not all of these sales were made in the UK, further evidence at Exhibit VC5, showing the location of customers, supports Mr Clienti's statement that most sales were to UK customers.

17. Mr Clienti explains that the company spends between £30,000 and £50,000 each year on advertising, through print and online media, and also through attendance at events, including The Chelsea Flower Show, where the Opponent has had a pitch since 2017. Promotional expenditure is confirmed in Exhibit VC13, which lists what was spent and when for the years 2017 to 2021 and a range of invoices are also included. Exhibit VC12 includes circulation figures from Press Gazette for some of the print media that the Opponent advertises in, showing that distribution of the magazines is in the tens of thousands of readers, and over 100,000 in the case of the Sainsbury's Magazine.

18. In terms of how the Opponent's signs are used, Mr Clienti's evidence includes extracts from the Opponent's website in 2022, which he explains is the same, or similar to how it appeared in 2020.⁶ Extracts from the Wayback Machine show the signs in use on the Opponent's website between 2002 and 2021,⁷ and the evolution of the sign from words alone, to include a circle device and "norfolk england" is shown. Catalogues, images of product labels, a swing tag, extracts from social media and examples of advertisements⁸ show how the signs have been used. Examples of these are:



CARRIER COMPANY WORKWEAR

By The English Garden - Sep 14, 2020

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⁵ Exhibit VC4.

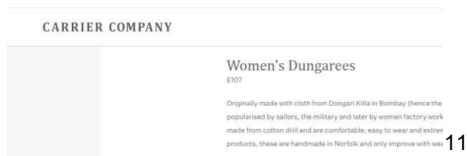
⁶ Exhibit VC6.

⁷ Exhibit VC7.

⁸ Exhibits VC8, VC9, VC11, VC12.

⁹ Page 104.

¹⁰ Page 213.



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19. In terms of the goods in respect of which the sign is used, the website, catalogues, sales records, social media and testimonials all show that the Opponent has used its signs in respect of a wide range of clothing and bags and some hats.

20. Mr Clienti describes the Opponent as a company that has “a reputation for quality, traditional and timeless styles and care for the environment”. This reputation is confirmed through testimonials on the Opponent’s website and Google reviews,¹⁶ as well as press articles, which describe the companies’ ethical approach and the famous fans of its products.¹⁷

21. The Applicants put the Opponent to strict proof of its claimed goodwill. Having considered all of the evidence, I consider that the Opponent has shown that at the relevant date it had substantial goodwill in the UK in respect of both its word and

figurative signs. I also find the signs “CARRIER COMPANY” and “” have been shown to be distinctive of that goodwill.

¹¹ Page 51.

¹² Page 90.

¹³ Page 108.

¹⁴ Page 174.

¹⁵ Page 175.

¹⁶ Exhibit VC7.

¹⁷ Page 213-214.

Misrepresentation

22. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] *R.P.C. 341 at page 407* the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

23. The contested application covers clothing, footwear, headgear and a range of different types of bag. Mr Clienti's evidence shows that the Opponent's business manufactures and sells a wide variety of bags, some hats and a broad range of clothing. As far as the Applicants' clothing, headwear and bags are concerned, I find the respective goods to be in the same field of activity, sharing the same nature, intended purpose, channels of trade and consumer. With regards to the Applicants' footwear, I consider that clothing and footwear share the same consumers, channels of trade and overall intended purpose. The Applicants' footwear is therefore in an associated field of activity to the Opponent's goods.

24. The Opponent's signs and the Applicants' mark both contain the same element “CARRIER”, which I consider to be inherently distinctive to a medium degree. The other elements in the mark and signs: “GOODS” and “COMPANY” are, in my view low in distinctive character. In the case of the figurative sign, the brown circle is in my view, low in distinctive character, and the words “norfolk, england” are non-distinctive as they merely indicate the geographical location of the business.

25. As a consequence of the identical nature of the distinctive element in the mark/signs (which itself is distinctive to a medium degree), the closeness of the parties' fields of activity and the strength of the Opponent's goodwill, there is no

doubt in my mind that a substantial number of the Opponent's actual and potential customers would be misled into purchasing the Applicants' products in the belief that they are products from the Opponent.

Damage

26. In *Harrods Limited V Harrodian School Limited* [1996] RPC 697, Millett L.J. described the requirements for damage in passing off cases like this:

“In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff's business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff's goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff's reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant's plastic irrigation equipment might be dissuaded from buying one of the plaintiff's plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.”

27. In *Ewing v Buttercup Margarine Company, Limited*, [1917] 2 Ch. 1 (COA), Warrington L.J. stated that:

“To induce the belief that my business is a branch of another man's business may do that other man damage in various ways. The quality of goods I sell, the kind of business I do, the credit or otherwise which I enjoy are all things which may injure the other man who is assumed wrongly to be associated with me.”

28. In *W.S. Foster & Son Limited v. Brooks Brothers UK Limited*¹⁸ Iain Purvis QC, sitting as a deputy judge of the Patents County Court observed:

“Although proof of damage is an essential requirement of passing off cases, it will generally be presumed where a misrepresentation leading to a likelihood of deception has been established, since such deception will be likely to lead to loss of sales and/or more general damage to the exclusivity of the Claimant's unregistered mark.”

29. The facts which I have considered above, lead me to conclude that damage, such as diversion of trade and/or injurious association is inevitable. I therefore find that the contested mark is contrary to section 5(4)(a) of the Act.

Overall outcome

30. The opposition under section 5(4)(a) of the Act succeeds in respect of all the goods. Subject to any successful appeal, the application will be refused.

¹⁸ [2013] EWPC 18.

Costs

31. The Opponent has been successful in these proceedings and is entitled to a contribution towards its costs.

Official fee for opposition	£200
Preparing a statement and considering the other side's statement	£300
Preparing evidence	£1,000
TOTAL	£1,500

32. I order BS-LAB Ltd and Sam And Jet Fashion (HK) Co. LTD to pay Carrier Company Norfolk Ltd the sum of £1,500. 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 2nd day of February 2023

Charlotte Champion

For the Registrar