

O/0261/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003618155

IN THE NAME OF NATALIA BUZZETTI

FOR THE TRADE MARK:



U.S. GRAND
POLO EQUIPMENT
& APPAREL

IN CLASS 25

AND

THE OPPOSITION THERETO UNDER NO. 427029

BY LIFESTYLE EQUITIES C.V.

Background and pleadings

1. On 29 March 2021, Natalia Buzzetti (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was accepted and published in the Trade Marks Journal on 16 July 2021 in respect of the following goods:

Class 25: *Clothing; clothing of leather; dresses; shirts; skirts; tailleurs; trousers; trousers shorts; hosiery; sweat shirts; t-shirts; pyjamas; stockings; vest tops; boxer shorts; brassieres; slippers [underclothing]; hats; bandanas [neckerchiefs]; foulards [clothing articles]; neckties; mackintoshes; overcoats; coats; swimwear; combinations [clothing]; jackets; blousons; waist belts; pelisses; neck scarves [mufflers]; gloves; dressing gowns; shoes; slippers; boots; sandals; beach clothes; footwear; bathing caps; beach wraps; bath robes; swimming trunks; beach clothing.*

2. On 22 September 2021, Lifestyle Equities C.V. (“the opponent”) opposed the application under Sections 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 (“the Act”).

3. Under Sections 5(2)(b) the opponent relies on the two trade marks set out below:

UK00915737653¹ (“the first earlier mark”)



Filing date: 10 August 2016: Registration date: 09 January 2017

¹ On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing EUTM. As a result, the opponent’s earlier mark was automatically converted into a comparable UK trade mark. Comparable UK marks are now recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.

Relying on some of the registered goods, as set out below:

Class 25: *Clothing; suits; tuxedos; blazers; vests; blouses; overalls; pullovers; sweaters; sweater vests; sweatpants; sweatshirts; T-shirts; shirts; polo-shirts; shirts and casual tops with long and short sleeves; halter tops; sleeveless shirts; sport shirts; tops for exercise; jeans; pants; trousers; shorts; skirts; coats; jackets (clothing); outerclothing; ponchos; raincoats; sport coats; bathing suits; swimsuits; bikinis; bikini tops; Bermuda shorts; beach clothes; bath robes; body linen (garments); underwear; undergarments; undershirts; bodysuits; boxer shorts; bras; bustiers; hosiery; stockings; lingerie; leggings; night clothes; nightgowns; nightshirts; pajamas; panties; dresses; dressing gowns; belts (clothing); socks; footwear; athletic shoes; beach shoes; booties; espadrilles; flip-flops; gym boots; heels; pumps; sandals; shoes; slippers; sporting and gymnastic shoes; headwear; bandannas; baseball caps; caps; hats; headbands.*

UK00001259226 ("the second earlier mark")



Disclaimer: Registration of this mark shall give no right to the exclusive use of the words "Polo Club" and "Beverly Hills".

Filing date: 30 January 1986; Registration date: 16 March 1990

Class 25: *Men's clothing, excluding footwear and headgear.*

Under this mark the opponent opposes only some of the goods for which the contested mark seeks registration, namely: *Clothing; clothing of leather; shirts; skirts; trousers; trousers shorts; sweat shirts; t-shirts; pyjamas; stockings; vest tops; boxer shorts; bandanas [neckerchiefs]; neckties; mackintoshes; overcoats; coats; swimwear; combinations [clothing]; jackets; waist belts; neck scarves [mufflers]; gloves; dressing gowns; shoes; slippers; boots; sandals; beach clothes; footwear; bathing caps; bath robes; swimming trunks; beach clothing.*

4. By virtue of their earlier filing dates, the above registrations constitute earlier marks within the meaning of Section 6 of the Act. Only the second earlier mark had completed its registration process more than five years before the priority date of the contested mark and is therefore subject to the proof of use provisions contained in Section 6A of the Act. Since the use provisions at Section 6A of the Act do not apply to the first earlier mark, the opponent can rely on this mark for all of the goods it has identified in its notice of opposition without demonstrating that it has used them.

5. Under Section 5(2)(b), the opponent claims that because the marks are similar and cover identical, similar or complimentary goods, there is a likelihood of confusion: (1) upon initial interest; (2) at the point of sale; and (3) post sale.

6. Under Section 5(3), the opponent relies on the same two earlier marks and claims that they have a reputation for all the goods listed in the table in paragraph 3. However, whilst the Section 5(2)(b) opposition based on the second earlier mark is partial (being directed against some of the applied-for goods only), the Section 5(3) opposition based on the same mark is full, being directed against the entire specification.

7. Under Section 5(3) the opponent pleaded unfair advantage and detriment to reputation and distinctive character. In each case, the allegation is the same: that the advantage and/or damage will arise from the likelihood of confusion. It states:

Unfair advantage

“There has been a substantial investment into the opponent's brand. Any likelihood of confusion that arises takes an unfair advantage of this investment and the reputation built as consumers may think that there is an association between the two entities. This could lead to purchases made in error given the mistaken belief that there is a connection between the two brands.”

Detriment to the reputation of the earlier mark

“The opponent cannot be sure of the quality of goods produced by the applicant. Due to the likelihood of confusion, any goods that are of inferior quality may lead to consumers thinking that the applicant's goods are produced by the

opponent and therefore lead to a loss of customers. This would tarnish the original mark and cause a detriment to its reputation.”

Detriment to the distinctive character of the earlier mark

“The opponent's mark is distinctive and widely recognised both throughout the UK and globally. The registration of any similar trade marks by the applicant are likely to cause significant damage to this distinctive character. The registration of this mark, and any confusion that arises as a result, is likely to cause consumers to make purchases in the mistaken belief that there is an economic connection between the applicant and the opponent. This diversion and I or loss of sales will cause a significant detriment to the opponent.”

8. Under Section 5(4)(a), the opponent claims to have used two unregistered signs corresponding to the first and second earlier mark throughout the UK since 30 January 1986. In respect of the sign corresponding to the first earlier mark, the opponent claims use in relation to a long list of goods, namely:

Perfumes; colognes; body sprays; toilet water; soap; skin moisturizers and creams; shower gels, shaving creams, shaving lotions, shaving gels; shampoos; hair gels, hair creams; nail polish, nail polish remover; lipsticks, lip gloss, lip balms; skin lotions, facial lotions, body lotions, hand creams; deodorants and anti-perspirants; after shave lotions; home fragrances. Eyewear; eyeglasses and sunglasses; eyeglass- and sunglass frames; eyeglass- and sunglass cases; binoculars. Watches; watch straps, watch bands; jewelry; earrings, necklaces, rings, bracelets and pendants; cuff links. Luggage; hand bags; sport bags; beach bags; carry-on bags; clutch bags; trunks and travelling bags; school bags; shoulder bags; shopping bags; tote bags; rucksacks; backpacks; duffel bags; cosmetic bags, briefcases; suitcases; holdalls; purses; wallets; leather key chains; business card cases; umbrellas; parasols; walking sticks. Glassware for household purposes; household or kitchen utensils and containers (not of precious metal or coated therewith); crystal [glassware]; coffee sets; ceramics for household purposes; kitchenware, cooking pot sets; dishware; porcelain and earthenware, all the aforesaid goods included in class 21; tableware, other than knives, forks and

spoons; services [dishes]; tea services [tableware]; pots; crockery; pottery; cups; teapots; table plates; drinking vessels; beverage glassware; saucers; plates; dishes; bowls; mugs; coolers; corkscrews; decanters. Towels; bath towels; hand towels; kitchen towels; Beach towels; bath linen; bed blankets; bed clothes; bed covers; bedspreads; duvet covers; bed linen; pillowcases; pillow covers; face towels of textile; handkerchiefs of textile; household linen; linen cloth; place mats, not of paper; sheets [textile]; tablecloths, not of paper; table linen, not of paper; tablemats, not of paper; table napkins of textile; textile material; towels of textile; curtains. Clothing; suits; tuxedos; blazers; vests; blouses; overalls; pullovers; sweaters; sweater vests; sweatpants; sweatshirts; T-shirts; shirts; polo-shirts; shirts and casual tops with long and short sleeves; halter tops; sleeveless shirts; sport shirts; tops for exercise; jeans; pants; trousers; shorts; skirts; coats; jackets (clothing); outerclothing; ponchos; raincoats; sport coats; bathing suits; swimsuits; bikinis; bikini tops; Bermuda shorts; beach clothes; bath robes; body linen (garments); underwear; undergarments; undershirts; bodysuits; boxer shorts; bras; bustiers; hosiery; stockings; lingerie; leggings; night clothes; nightgowns; nightshirts; pajamas; panties; dresses; dressing gowns; belts (clothing); socks; footwear; athletic shoes; beach shoes; booties; espadrilles; flip-flops; gym boots; heels; pumps; sandals; shoes; slippers; sporting and gymnastic shoes; headwear; bandannas; baseball caps; caps; hats; headbands.

9. The claim of use in relation to the unregistered sign corresponding to the second earlier mark is limited to *Men's clothing, excluding footwear and headgear*.

10. The opponent claims to have acquired substantial goodwill identified by these signs and that use of the contested mark would constitute a misrepresentation to the public that would damage its goodwill. The opponent states that due to the likelihood of confusion that will arise, misrepresentation will cause diversion of sales in favour of the applicant due to the similarities between the respective brands. Consequently, use of the contested mark would be contrary to the law of passing off.

11. Finally, under Section 3(6), the opponent claims that the application was made in bad faith. It states:

“There have been several interactions between the applicant and the opponent. This mark was applied for in bad faith given the prior disputes between the two parties and the knowledge that use of the applicant's mark would result in damage for the opponent's brand. Furthermore, the judgment of the EUIPO Decision No. B 3 062 584 upheld the likelihood of confusion between the marks. This demonstrates that the applicant was both aware of the opponent's prior rights and the similarities between the marks. As a result this application was clearly made in bad faith.”

12. The applicant filed a counterstatement wherein she made some admissions under the Section 3(6) ground but, for the most part, either expressly denied the claims made or put the opponent to proof of the same (including proof of use of the second earlier mark). In respect of the Section 3(6) ground, the applicant admitted that there have been opposition proceedings between the parties before the EUIPO (opposition No. B3062584) but argues that those proceedings were contested by the applicant, were not on all fours with the present case, and were successful only in part. Additionally, the applicant stated:

“Trade mark rights are territorially limited. At the time of filing the UK had left the EU. Therefore, any prior dispute between the parties in the EU is irrelevant to the issue of whether the Applicant applied to register the contested mark in bad faith in the UK. Mere knowledge that a third party holds trade mark rights elsewhere cannot in itself be sufficient to find bad faith. The Applicant holds earlier trade mark rights in the EU for a similar mark to the mark applied for under EUTM Nos. 011156247 and 018389184, and UK Comparable No. UK00911156247. This clearly shows their long-standing interest and it is clear that there is commercial logic in the filing of the Application. The Applicant's Italian company, Fashion Service, has filed an invalidity action against the Opponent's EUTM No. 015737653 on the basis of its earlier trade mark rights in Italy. It is denied that registration of the Application would be contrary to the provisions of Section 3(6) of the Trade Marks Act 1994.”

13. Only the opponent filed evidence in these proceedings. The evidence will be summarised to the extent that it is considered necessary.

14. The applicant is represented by Maguire Boss; the opponent is represented by Brandsmiths. Neither party requested a hearing, but the applicant filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EU Law

15. 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.

The evidence

16. The opponent filed evidence in the form of a witness statement by Daniel Haddad who is the opponent's Chief Executive Officer. Mr Haddad's witness statement is dated 22 June 2022 and is accompanied by one exhibit (DH – 01).

My approach to the proof of use

17. In the present opposition, the opponent relies on two earlier marks. As I have said above, the first earlier mark is not subject to proof of use, however, the second earlier mark is. The first and the second earlier marks are nearly identical as they both consist of the same device and words, the only difference being that the contrast between the black and white elements of the marks is slightly more accentuated in the second earlier mark than the first earlier mark.² This means that, effectively, the first earlier mark is fractionally closer to the contested mark (in which the silhouette element is completely black); however, nothing turns on the differences between these marks because they are so slight that I am unlikely to reach a different conclusion on the

² Although the second earlier mark contains the disclaimer "Registration of this mark shall give no right to the exclusive use of the words "Polo Club" and "Beverly Hills", TPN 1/2020 states that disclaimed matter can no longer be excluded from the assessment of likelihood of confusion (or other damage) in proceedings before the Registry under Section 5 of the Act, even where the disclaimed matter is the only point of similarity between the marks.

likelihood of confusion depending on whether I am assessing it against the first or the second earlier mark.

18. However, since the specification of the second earlier mark – which is subject to proof of use – is much more limited, it does not provide a stronger case for finding that the goods are similar, compared to the first earlier mark which has a broader specification and is not subject to proof of use. Further, under Section 5(2)(b) the opponent relies on the second earlier mark to oppose the applied-for mark partially, whilst it relies on the first earlier mark to oppose the applied-for mark in full. Consequently, I will carry out my assessment under Section 5(2)(b) based on the first earlier mark (which is not subject to proof of use) and I will return to the second earlier mark at the end, only if it becomes necessary.

DECISION

Section 5(2)(b)

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

“A trade mark shall not be registered if because-
[...]

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

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

20. 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.”

21. 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 great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of goods

22. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the Court of Justice of the European Union (CJEU) stated that:

“23. 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 complementary.”

23. Guidance on this issue was also given by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] RPC 281. At [296], he identified the following relevant factors:

- (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.

24. The General Court (GC) confirmed in *Gérard Meric v OHIM*, Case T-133/05, paragraph 29, that, even if goods are not worded identically, they can still be considered identical if one term falls within the scope of another, or vice versa:

“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”.

25. The goods to be compared are as follows:

The applicant's goods	The opponent's goods
<p>Class 25: <i>Clothing; clothing of leather; dresses; shirts; skirts; tailleurs; trousers; trousers shorts; hosiery; sweat shirts; t-shirts; pyjamas; stockings; vest tops; boxer shorts; brassieres; slips [underclothing]; hats; bandanas [neckerchiefs]; foulards [clothing articles]; neckties; mackintoshes; overcoats; coats; swimwear; combinations [clothing]; jackets; blousons; waist belts; pelisses; neck scarves [mufflers]; gloves; dressing gowns; shoes; slippers; boots; sandals; beach clothes; footwear; bathing caps; beach wraps; bath robes; swimming trunks; beach clothing.</i></p>	<p>Class 25: <i>Clothing; suits; tuxedos; blazers; vests; blouses; overalls; pullovers; sweaters; sweater vests; sweatpants; sweatshirts; T-shirts; shirts; polo-shirts; shirts and casual tops with long and short sleeves; halter tops; sleeveless shirts; sport shirts; tops for exercise; jeans; pants; trousers; shorts; skirts; coats; jackets (clothing); outerclothing; ponchos; raincoats; sport coats; bathing suits; swimsuits; bikinis; bikini tops; Bermuda shorts; beach clothes; bath robes; body linen (garments); underwear; undergarments; undershirts; bodysuits; boxer shorts; bras; bustiers; hosiery; stockings; lingerie; leggings; night clothes; nightgowns; nightshirts; pajamas; panties; dresses; dressing gowns; belts (clothing); socks; footwear; athletic shoes; beach shoes; booties; espadrilles; flip-flops; gym boots; heels; pumps; sandals; shoes; slippers; sporting and gymnastic shoes; headwear; bandannas; baseball caps; caps; hats; headbands.</i></p>

26. Some of the contested goods are self-evidently identical to the opponent's goods, e.g. *sweat shirts, trousers; skirts; coats; jackets; dresses; dressing gowns; sandals; belts; bandanas*. Further, the opponent's terms *clothing, footwear, headwear* (and also *underwear, stockings, swimsuits*), are broad enough to include all of the applicant's goods. These goods are identical on the principle outlined in *Meric*.

27. The applied-for specification also includes *foulards [clothing articles]; neckties; neck scarves [mufflers]; gloves*, all of which are items of clothing. If I am wrong and these goods are seen as accessories outside the definition of clothing, they are highly similar. They have the same purpose as clothing, are made of the same material and have the same method of use, i.e. they are worn on the body, are sold through the same trade channels, purchased by the same consumers, and are likely to be produced by the same undertakings. These goods are at least similar to a high degree.

Average consumer

28. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. 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.”

29. The average consumer of the competing goods in class 25 is a member of the general public. The goods are most likely to be the subject of self-selection from retail outlets, websites or catalogues. Visual considerations are, therefore, likely to dominate the selection process. However, I do not discount an aural element to the purchase, particularly when advice is sought from a sales representative, or a purchase is made further to a word-of-mouth recommendation.

30. As regard the level of attention consumers will display when selecting the goods, in her submissions in lieu the applicant states:

“The goods are directed at the public at large and specific customers seeking tailor made or specialist items (e.g. the applicant's goods of "tailleurs" being woman's tailor-made suits, and "pelisses" being a woman's formalwear ankle-length cloak with armholes or sleeves), or expensive luxury items such as tuxedos and bustiers. Additionally, a number of factors such as aesthetic appearance, material, cut, size, comfort/fit, and/or suitability for purpose are likely to be taken account of by the consumer. The attention of the public will therefore be average to high.”

31. Whilst I agree that when making a purchase, the average consumer will take into account various factors, including, for example, size, fitting, material and colour, the applicant's claim that the goods will be selected with a degree of attention between average and high is overstated. Even if the dictionary definition of *tailleurs* is that of “*a woman's suit that has been tailor-made*”, because the term appears in class 25 – which covers finished items of clothing - I interpret it as referring to ready-to-buy woman's suits, rather than to tailoring or dressmaking services offered by a tailor. Further, whilst the price of clothing can vary greatly depending on the segment of fashion market in which they are marketed (with clothing at the top end of the fashion market being very expensive) the opponent's mark is entitled to protection across all market segments for the goods for which it is registered and protected (which includes goods that are averagely expensive). Hence, I find that for the goods at issue which are items of clothing, footwear and headwear (and clothing accessories) directed at the public at large, the degree of attention to the selection of the goods is medium.

Comparison of marks



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

CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

33. 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.

34. The respective marks are shown below:

The applicant's mark	The opponent's mark
 The logo for U.S. Grand Polo Equipment & Apparel features a silhouette of a polo player on a horse, facing right. Below the silhouette is a horizontal line, and underneath that, the text "U.S. GRAND POLO EQUIPMENT & APPAREL" is written in a serif font, with "U.S. GRAND" on the first line, "POLO EQUIPMENT" on the second, and "& APPAREL" on the third.	 The logo for the Beverly Hills Polo Club features a silhouette of a polo player on a horse, facing right, with a mallet raised. The words "BEVERLY HILLS" are arched over the top of the player and horse. Below the silhouette, the words "POLO CLUB" are written in a bold, serif font.

35. Before I proceed on the overall impression of the marks, I note that the applicant sought to minimise the distinctiveness of the word element 'POLO' in the opponent's mark contending that it lacks distinctiveness in relation to clothing likely to be used in

the sport of polo, which the applicant identified as the following “*T-shirts; shirts; polo-shirts; shirts and casual tops with long and short sleeves; sport shirts; tops for exercise; trousers; shorts; sport coats; athletic shoes; sporting and gymnastic shoes; caps; hats*”. I reject the submission. First, although the opponent’s mark gravitates around the concept of the sport polo, it contains additional figurative and word elements which contribute to its distinctiveness. Second, so far as concerns the argument relating to the distinctive character of the word ‘POLO’, it must be noted that (1) the opponent’s specification is registered (and protected) for a variety of items of clothing, footwear and headwear that are not limited to goods specifically designed for polo playing, (2) in other cases it has been recognised that the expression ‘polo club’ has normal inherent distinctive character, with regard to goods in class 25 which are not specifically linked to the polo playing³ and (3) the goods specifically listed by the applicant can also be worn for general purposes e.g. polo-shirts are predominantly worn as casual clothing.

36. In addition, the applicant relied on the decision in BL-O-832-22, *HIPWOOD* - in which the hearing officer assessed the distinctiveness of the same mark relied upon by the opponent in these proceedings - to argue that the device element of the opponent’s mark is very low in distinctiveness. The relevant part of the hearing officer’s decision is as follows:

“I will deal first with the inherent distinctiveness of the earlier mark in relation to the technical polo-wear covered by the opponent’s broad term, ‘clothing’. In my view, for such goods the inherent distinctiveness of the device element is very low (if it has any distinctiveness at all), given that, in my view, it merely evokes the idea of the game of polo which is not a distinctive concept for such goods. The device is also not stylised in such a way as to elevate its distinctiveness. The words BEVERLY HILLS POLO CLUB are distinctive for such goods to the extent that they designate a particular polo club i.e. one in Beverly Hills. Those words, however, have no more than an average degree of distinctiveness. It follows that, although the mark, as a whole, has an average degree of inherent distinctiveness for technical polo-wear, that degree of distinctiveness stems

³ *Royal County of Berkshire POLO CLUB*, T-581/13

from the words BEVERLY HILLS POLO CLUB and not the device element (which, as I said, has very low, if any, distinctiveness). There is no evidence before me to indicate that there has been any use by the opponent of its earlier mark in relation to technical polo-wear (clothing specifically designed to be worn during participation in the sport of polo). I therefore find no enhanced distinctiveness for such goods.”

37. It is obvious that the above decision is not on all fours with the present case, and that the only reason why the hearing officer had found that the device was very low in distinctiveness is that she assessed its distinctiveness in the context of clothing specifically designed to be worn during participation in the sport of polo, which she considered were covered by the broad term *clothing* in the opponent’s specification. The hearing officer’s approach in that case was dictated by the fact that the contested goods were clothing worn by polo professionals within the sport of polo and that the only similarity between the competing marks stemmed from the device elements. Hence, the decision provides no persuasive reason why I should find that the device element of the opponent’s mark (or indeed the word ‘POLO’) is low in distinctiveness.

Overall impression

The applicant’s mark

38. The applicant’s mark consists of two identifiable elements, namely the silhouette of a polo horse with a rider wearing a helmet represented in profile (facing right) and the words ‘U.S. GRAND POLO EQUIPMENT & APPAREL’. The figurative and verbal elements of the marks are separated by a thick horizontal line. The words ‘U.S. GRAND POLO EQUIPMENT & APPAREL’, in capital letters, are placed below the figurative element, are of different sizes and appear on three levels, with the words ‘US GRAND’ (in a medium size) being placed above the word ‘POLO EQUIPMENT’ (in a smaller size), and the latter being placed above the words ‘& APPAREL’ (in a larger size). Despite being spread on three levels, the words ‘U.S. GRAND POLO EQUIPMENT & APPAREL’ combine to form a unit referring to the concept of a brand called ‘US GRAND’ (or ‘US GRAND POLO’) which provides polo equipment and apparel.

39. Due to its size and central position, the figurative element has considerable visual impact, although in the overall impression of the mark, it will be perceived as reinforcing the reference to the sport polo conveyed by the words 'U.S. GRAND POLO EQUIPMENT & APPAREL', with the result both elements contribute roughly equally to the overall impression.

The opponent's mark

40. The opponent's mark is made up of two distinct components, namely a figurative element comprising a polo rider on horseback facing right and holding a polo mallet and a word element comprising the words 'BEVERLY HILLS POLO CLUB' in capital letters. The words 'BEVERLY HILLS' are displayed over an arch shape above the image of the horse and rider, whilst the words 'POLO CLUB' are presented in a straight line below it. Despite the words 'BEVERLY HILLS' and 'POLO CLUB' being positioned above and below the figurative element respectively, they combine to form a unit which will be naturally understood to represent that the goods come from a polo club based in Beverly Hills.

41. Although the figurative element is likely to be perceived as reinforcing the reference to the sport polo introduced by the words 'POLO CLUB', both elements have a substantial visual impact and contribute roughly equally to the overall impression.

Visual similarity

42. The marks coincide in the word 'POLO' and insofar as they both contain a figurative element representing the silhouette of a rider on a polo horse facing right that evokes the sport of polo.

43. The representations of the figurative elements in the respective marks present a number of differences, for example (a) the horse represented in the applicant's mark has a more child-like nature, whereas the horse represented in the opponent's mark have a more realistic elaborated design, (b) the rider represented in the applicant's mark is not carrying a polo mallet whereas the rider represented in the opponent's mark is holding a mallet in the action of striking the ball and (c) the silhouette in the

applicant's mark is completely black, whereas the silhouette in the opponent's mark is black and white. Nonetheless, they coincide in significant respects, including the proportions and poses of the horses - both of which are depicted galloping, in profile, facing right, with the position of the legs being very similar – which means that notwithstanding the differences, there are some striking similarities between these figurative elements. In addition, the differences relating to the word elements 'U.S. GRAND' 'EQUIPMENT & APPAREL' and 'BEVERLY HILLS' 'CLUB' in the marks are not negligible. Consequently, the marks are **visually similar to a low to medium degree.**

Aural similarity

44. The similarities in the pronunciation of the marks at issue stem from the common presence in the marks of the word 'POLO'. By contrast, the other word elements of those marks are completely different, namely the words 'BEVERLY HILLS' and 'CLUB' in the opponent's mark and the words 'U.S. GRAND EQUIPMENT & APPAREL' in the applicant's mark. Hence, notwithstanding the differences, there is a limited degree of phonetic similarity between the marks, and I find that they are **phonetically similar only to a very low degree.**

Conceptual similarity

45. The opponent's mark will be understood as referring to a polo club located in Beverly Hills. The applicant says that the contested mark will be understood as referring to a polo event called 'U.S. GRAND POLO'. However, whilst I do not exclude that some consumers (but not a significant part of them) might read the mark as the applicant suggests, the UK average consumer would, in my view, naturally split the contested mark into two parts, namely "US GRAND" and "POLO EQUIPMENT & APPAREL" because there is no evidence that such an event actually exists (or that the average consumer is aware of it), but also because of the way the words are presented (which separates the words "US GRAND" and "POLO") and the fact that the word 'POLO' qualifies the words 'EQUIPMENT & APPAREL'. Insofar as both marks evoke the concept of polo as a sport and contain a stylised representation of a

polo rider on a horseback seen in profile and facing right, they are conceptually very similar.

46. Although the competing marks also contain a number of elements which introduce different concepts, including the concept of a club, the concept conveyed by the word 'GRAND', the concept of different geographical locations (namely the US and Beverly Hills) and the concept of apparel (which is descriptive) and equipment, these concepts are not sufficient to introduce differences neutralising the common element 'POLO' which conceptually remains the critical part of both marks. In my view, the marks are **conceptually similar to a medium to high degree.**

Distinctive character of earlier mark

47. 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).”

48. Registered trade marks possess various degrees of inherent 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. The distinctiveness of a mark can be enhanced by virtue of the use made of it.

49. I have already dismissed the applicant’s argument that the word ‘POLO’ and the device in the earlier mark are weakly distinctive in relation to the class 25 goods covered by the registration which are not specifically designed for polo playing – these are the goods which I found to be identical or similar to a high degree to the applicant’s goods, the latter also being goods in class 25 that are not specifically designed for polo playing. The element ‘POLO’ in the opponent’s mark is therefore inherently distinctive to a medium degree. The additional elements of the mark, namely the word “BEVERLY HILLS’ and ‘CLUB” and the device of a polo player and a horse are also distinctive, and elevate the distinctiveness of the mark to a medium to high degree.

50. The applicant argued that the opponent did not expressly claim that the earlier mark had acquired enhanced distinctiveness through its intensive use. First, the standard TM7 form does not contain a section dealing with the distinctiveness of the earlier marks, but only a section dealing with their possible reputation, which was claimed in the present case. Second, whilst I accept the general point that pleadings should be as full as possible so as to set out the scope of the dispute, the absence of any specific reference in the pleadings to enhanced distinctiveness is not fatal to the opponent’s case. This is because the assessment of distinctiveness is one of the fundamental factors that needs to be assessed in every case and, as is clear from the case-law, this can come from either the inherent nature of the mark, its use, or indeed a combination of both. Therefore, if evidence has been filed, which it has in the case before me, it is incumbent upon me to factor that evidence into the assessment to decide upon the overall distinctiveness of the earlier mark. It would be perverse to do otherwise, as it would require a pretence as to the true level of distinctiveness on the part of the average consumer, based on a technicality.

51. Therefore, I now turn to the question of whether the evidence of use filed by the opponent shows that the earlier mark's inherent distinctiveness has been enhanced in relation to any of the goods for which the mark is protected. Although most of Mr Haddad's evidence is about the global success of the opponent's 'brand', what is relevant in these proceedings is the use that has been made of the mark in the UK – because, self-evidently, use outside the UK cannot show that the mark has acquired an enhanced level of distinctive character through use in the UK.

52. Mr Haddad's pertinent evidence can be summarised as follows:

- The brand 'BEVERLY HILLS POLO CLUB' ("the brand") was established in 1982 by two students in California inspired by both the luxury and heritage of Beverly Hills. Beverly Hills is one of the world's most luxurious cities. It is renowned as a home to movie stars and millionaires. The brand captures the excitement of the sport 'polo', along with the exclusivity of membership of a private club. The mission of the brand is to offer "affordable luxury" to the rising middle-class global consumer. The target customer is an upwardly mobile, young urban professional who is inspired by global fashion and trends;
- In early 2001, all rights in the brand were owned by BHPC Marketing Inc. who subsequently sold/assigned these rights to other companies. In May 2008, all remaining rights in the brand (i.e. the right to exploit the brand and all related intellectual property rights worldwide, in all countries except the USA and some Asian countries) were assigned to the opponent. The opponent is an international business incorporated in the Netherlands and owns more than 400 trade marks for the brand registered across 94 countries;
- In a copy of 'License Global Magazine' (2017), the brand was ranked number 34 in the top 150 Licensees worldwide by revenue, with \$1.7 billion of retail sales (in comparison BBC Worldwide was ranked 35 in the same year). Mr Haddad provides the annual ranking for the brand each year since 2013 which is as follows: ranked 39 in 2013 with \$1.3bn revenue (in comparison Coca-Cola Company was ranked 40 in the same year); ranked 44 in 2014 with \$1.3bn revenue (in comparison Sony Pictures was ranked 46 in the same year); ranked 49 in 2015 with \$1.2bn revenue (in comparison Playboy was ranked 42 in the

same year); ranked 44 in 2016 with \$1.35bn revenue (in comparison Stanley Black & Decker was ranked 41 in the same year);

- Mr Haddad refers two decisions in infringement cases against, *inter alia*, the same earlier mark relied upon by the opponent in these proceedings,⁴ where the Court found that the opponent's mark had acquired a very substantial enhanced distinctive character through use and had a substantial reputation both in in the UK and in the EU;
- Goods bearing the brand and/or sold under reference to the brand include menswear, womenswear, childrenswear, footwear, perfume, watches, eyeglasses, bags and luggage, cosmetics and skin products ("brand goods"). Retail sales of the brand goods by the opponent and related companies/licensees together amount to hundreds of millions (USD) per annum worldwide;
- On average, over the last ten years, prior to 2020, retail sales of brand goods within the EU exceeded \$21 million per annum and over \$5 million per annum in the UK. These figures appear to relate to all of the brand goods identified in the previous bullet-point;
- Between 2006 – 2018, total sales of clothing was more than \$22.1 million with average sales of more than \$1.7 million per annum in the UK;
- Between 2018 – 2022, sales of clothing was over \$35 million across the EU (excluding the UK) and over \$15 million in the UK;
- New collections of clothes bearing the earlier mark are released twice a year in Spring/Summer and Autumn/Winter which are accompanied by new marketing material that is provided to each of the opponent's licensees and typically includes new fashion shoot visuals, a campaign video and style look books. An example of such a look book is provided from 2015. It shows the earlier mark displayed on the cover page above the words 'SPRING SUMMER 2015 COLECTION' and on various pages of the book in relation to items of footwear and clothing;
- The main website for the brand is www.bhpoloclub.com. According to Google Analytics, between 2018 and 2022, there were a total of 721,760 unique visitors

⁴ *Lifestyle Equities CV & Anor v Santa Monica Polo Club Ltd & Ors* [2017] EWHC 3313 (Ch) (21 December 2017) and *Lifestyle Equities CV & Anor v Sportsdirect.Com Retail Ltd & Ors* [2018] EWHC 728 (Ch) (20 April 2018)

to the site, of which 35,412 originated from the UK. There are also social media accounts relating to this website on Facebook with 93,280 followers and Instagram with 23,300 followers;

- The Opponent spends significant sums on marketing and promotion each year. Its activities include promoting the brand at trade shows and through websites, video production, as well as the production of look books and brand guidelines books. The opponent's current marketing budget, which has been in place for several years, for the EU and Middle East is approximately \$1,000,000 per annum with approximately \$400,000 of that being spent by the opponent in Italy. The remaining \$600,000 per annum is spent on the sampling and design process of the annual collections which includes the creation and provision of look books. In addition, licensees are required to carry out their own marketing activities, with marketing budgets set at a minimum of 2% of their net sales;
- The brand is consistently showcased at trade and fashion shows in the EU. Images from some of those shows which took place in Italy, Spain, Germany, France and the UK from 2006 to present are provided. Mr Haddad says that those shows are aimed at industry, but many also allow paying customers in at the end. The earlier mark can be seen in use in relation to, inter alia, casual shoes, menswear, womenswear and childrenswear;
- Mr Haddad refers to the brand being exhibited at Italian fashion shows including i) Pitti Uomo, Italy, in January 2020 which is said to be "*the world's most important platform for men's clothing and accessory collections*" ii) Pitti Bimbo, a childrenswear trade show in Italy which has been attended by one of the opponent's licensees every year from 2009 – 2015. The UK is said to be one of the top 20 foreign markets for these shows. Mr Haddad also states that the brand is exhibited at other fashion shows including the Copenhagen International Fashion Fair (CIFF) (Denmark from 2015 to 2017), the Premium International Fashion Trade Show (Germany from 2013 to 2015) and the Who's Next, the leading international trade show for women's fashion in Europe, held in Paris, France, (from 2010 to 2013);
- The brand is said to have been featured in third party publications including in the RLI magazine in 2004. RLI is said to stand for Retail & Leisure International which is part of Paramount Publications, a UK based publisher, and it is said

that it reaches over 20,000 key decision makers monthly. No further information is given about the content of those articles.

- In 2016, the ‘brand’ was nominated for Best Emerging Market Retailer of 2016 which was held in London and said to have been attended by many hundreds of people. The ‘brand’ was highly commended in this category. When nominated again, for the same award in 2017, the opponent won. That event was held in Dubai in May 2017.

53. The applicant heavily criticises the evidence filed by the opponent. Admittedly, the evidence is not without deficiencies, for example, the turnover figures relate to clothing in general and are not broken down by product, there is no indication of market share and no specific marketing figures for the UK, and there is very little in terms of examples of marketing activities over and above images from some catalogues and pictures taken at trade shows. However, the revenue figures are unchallenged, and it remains that as at the relevant date of 29 March 2021, the opponent had been trading for at least 15 years achieving (a) UK average sales of clothing (including menswear, womenswear and childrenswear) of more than \$1.7million per annum between 2006 and 2018 and (b) UK sales of clothing amounting to over \$15million in the four-year period 2018-2022 – although a part of the total sales achieved between 2018 and 2022 must relate to goods sold after the relevant date of 29 March 2021, it is highly likely that a substantial part of those sales were achieved before the relevant date. As regards the reference to the findings of the High Court in different proceedings, I am unable to take it into account as it would be contrary to the rule in *Hollington v Hewthorn* which “renders factual findings made by a judge in one set of legal proceedings inadmissible in subsequent proceedings”.⁵

54. Looking at the evidence as a whole, I am satisfied that, by the relevant date, the distinctiveness of the earlier mark had been enhanced to a high degree through the use made of it.

⁵ *BANDIT Trade Mark*, BL-O-197/23

Likelihood of confusion

55. 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 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 mark, the average consumer for 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 marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

56. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Trade Mark*, BL O/375/10, where Iain Purvis Q.C. as the Appointed Person explained that:

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

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).”

57. I also note that in *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

58. Furthermore, it is not sufficient that a mark merely calls to mind another mark: *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17. This is mere association not indirect confusion.

59. Earlier in this decision I found the opponent’s best case to be based on its first earlier mark which has a broader specification, is not subject to proof of use and is fractionally closer to the contested mark. I also found this mark to possess a high degree of distinctive character through use. The goods are identical (or highly similar) and will be selected visually (although I do not discount aural considerations completely) with a medium degree of attention. The respective marks are visually

similar to a low to medium degree, aurally similar to a very low degree and conceptually similar to a medium to high degree.

60. Even though the graphics of the figurative elements have dissimilarities, these are not striking points of dissimilarity, and are not sufficient to dispel the relevant consumer's impression that the figurative elements of the marks, perceived as wholes, are reasonably highly similar in their presentation of the silhouette of a polo rider galloping on a horseback depicted in profile and facing right with the position of the horse and its legs being very similar. Further, both marks gravitate around the concept of the sport polo and include the word 'POLO'. It must also be noted that since neither the applicant's goods nor the opponent's goods are identified as being for use in the game of polo (being various items of clothes, footwear or headwear disconnected to polo playing),⁶ in both marks the reference to polo playing - introduced by both the figurative elements and the word 'POLO' - is distinctive.

61. However, I also bear in mind that the word 'POLO' is combined in each mark with different verbal elements to create separate units; in the contested mark are the words 'US GRAND POLO EQUIPMENT & APPAREL' and in the opponent's mark are the words 'BEVERLY HILLS POLO CLUB'. Further, the presentation of the word elements of the marks is different, because the words in the earlier mark are positioned above and below the device on an arched line (at the top) and a straight line (at the bottom) whilst the words in the contested mark are positioned below the device on three separate levels.

62. Having carefully considered all of the above, my conclusion is that, on balance, there is a likelihood of confusion. I reach this conclusion because (a) the goods involved are identical (or highly similar) and are not goods for use in polo playing, so the concept of the game of polo is distinctive for the goods at issue and the competing marks could be used in relation to the same types of fashion goods targeting the same segment of the market, (b) both marks contain devices based on horse riding polo players which are distinctively similar (to a reasonably highly degree) and create highly

⁶ Although the broad terms in both parties' specifications include clothing and footwear for use in the sport of polo, this is not decisive because all the terms also include clothing, footwear and headgear that have general purpose use.

similar overall impressions, (c) the devices in the respective marks are distinctive and have considerable visual impact reinforcing the “*Polo*” message conveyed by the marks, and (d) the earlier mark (including the device) has a high degree of distinctiveness.

64. Account is also to be taken of the fact that the average consumer is unlikely to see the marks side by side and will only have an imperfect recollection of the earlier mark. Further, the average consumer normally perceives a mark as a whole and does not analyse its various details.

64. Having considered all of the above, my conclusion is that there is a likelihood of direct confusion because the average consumer paying a medium degree of attention is likely to recall the polo link and a very similar device (to which the user’s eye will be drawn) and is likely to directly confuse the later mark with the earlier mark.

65. With regard to the significance to be attached to the word elements of the marks as a distinguishing feature, although the words in the marks tend to differentiate them, they do not do so to a degree that is sufficient to rule out any likelihood of confusion. This is because both marks gravitate around the distinctive concept of playing polo and the concept of a US-based geographical location – Beverly Hills being based in the US. Further, the other verbal elements of the marks are all less distinctive than the words ‘POLO’ because the words ‘EQUIPMENT & APPAREL’ have no trade mark significance in the perception of the contested mark as whole (although they are not invisible) and the word ‘CLUB’ is qualified by the word ‘POLO’. What matters is how consumers react to the overall combination of the words and figurative elements and in this case, it seems to me that the elements of similarity between the marks at issue prevail over the elements of dissimilarity.

66. There is a likelihood of confusion. The opposition based upon Section 5(2)(b) is successful.

Section 5(4)(a)

67. 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) [...]

(a) [...]

(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.”

68. 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.”

69. 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).”

70. 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”.

Goodwill

71. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL):

“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.”

72. In the present case there is no evidence of use of the contested mark⁷ so the relevant date for the assessment under Section 5(4)(a) is the filing date of the application at issue, being 29 March 2021.

73. Based on the same evidence which I have analysed above, I am satisfied that at the relevant date the opponent had goodwill in the first earlier mark in relation to clothing and footwear most of which appear to fall within the sub-category of casual clothing and footwear. Although not identical to some of the contested goods that are items of underwear, nightwear or sportswear, these goods are still highly similar and represent the best case scenario for the opponent, the other goods upon which the opponent relies under this ground being less similar to the contested goods.

74. I recognise that the test for misrepresentation is different to that for likelihood of confusion, namely, that misrepresentation *requires* “a substantial number of members of the public are deceived” rather than whether the “average consumer are confused”.

⁷ *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11

However, as recognised by Lewinson L.J. in *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, it is doubtful whether the difference between the legal tests will produce different outcomes. Certainly, I believe that this is the case here and I find that, because of the similarities discussed in respect of the Section 5(2)(b) ground between the opponent's sign and the applicant's mark, the relevant public will be misled into purchasing the applicant's goods in the belief that they are the opponent's goods. Misrepresentation and damage are made out.

75. The opposition based upon Section 5(4)(a) is also successful.

Section 5(3)

76. Section 5(3) states:

“(3) A trade mark which-

(c) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark”.

77. Section 5(3A) states:

“(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected”.

78. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L’Oreal v Bellure NV*, paragraph 40.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L’Oreal v Bellure*).

79. The relevant date for the assessment under Section 5(3) is the filing date of the application at issue, being 29 March 2021.

Reputation

80. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

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

81. Under its Section 5(3) ground, the opponent relies on the same registrations as it did under its Section 5(2)(b) ground and claims to have obtained a reputation in relation to the same goods relied upon under Section 5(2)(b).

82. I have already discussed the evidence of use above. While I do not have any evidence or submissions as to the size of the market at issue, I am of the view that it is a sizeable market with a turnover in the region of hundreds of millions of pounds per annum in the UK. The annual turnover provided by the opponent are not insignificant even within a very large market such as that of the goods at issue. Further, considering the rest of the evidence in relation to which I have already made my comments, I am satisfied that the opponent's first earlier mark enjoyed a good level of reputation in the UK for casual clothing and casual footwear at the relevant date. An important aspect of the distinctiveness and reputation of the opponent's 'BEVERLY HILLS POLO CLUB' brand is that it is a premium lifestyle brand selling high-quality casual clothing and footwear for use off the polo field.

Link

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

The degree of similarity between the conflicting marks. The earlier mark and the contested mark are visually similar to a low to medium degree, aurally similar to a very low degree and conceptually similar to a medium to high degree.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public. The goods in relation to which the earlier marks have a reputation are casual clothing and footwear which are identical or highly similar to the contested goods.

The strength of the earlier mark's reputation. The opponent's registrations enjoy a good level of reputation in the UK.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use. I have found that the earlier mark is inherently distinctive to an above average degree and that its distinctiveness has been enhanced to high degree through use.

Whether there is a likelihood of confusion. I have found that there is a likelihood of confusion between the parties' marks.

84. I am now required to determine whether, in this particular case, the relevant public would bring the opponent's registration to mind when confronted with the contested mark, thereby creating the necessary link.

85. Taking all of the above into account, I am of the view that use of the contested mark will give rise to a link with the opponent's mark in the mind of the average consumer. Further, even if I was wrong about the likelihood of confusion, in my view the average consumer would still make such a link.

Damage

86. The opponent has pleaded all the three heads of damage based on the likelihood of confusion. Having already found that there is a likelihood of confusion, I also find that the contested mark will take unfair advantage of the distinctive character and the repute of the opponent's mark. In such case, unfair advantage follows automatically from my finding of likelihood of confusion (i.e. diversion of sales).

87. However, if I was wrong about the likelihood of confusion, I consider that there would still be a link and an unfair advantage.

88. In *Argos Limited v Argos Systems Inc.* [2018] EWCA Civ 2211, the Court of Appeal held that a change in the economic behaviour of the customers for the goods/services offered under the later trade mark was required to establish unfair advantage. This may be inferred where the later trade mark would gain a commercial advantage from the transfer of the image of the earlier trade mark to the later mark: see *Claridges Hotel Limited v Claridge Candles Limited and Anor*, [2019] EWHC 2003 (IPEC).

89. Unfair advantage does not require proof of a subjective intention by the applicant to benefit from the reputation of the opponent's mark. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. (as he then was) considered the earlier case law and concluded that:

“80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the

defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

90. Further, in *Lonsdale Sports Limited v Erol*, [2013] EWHC 2956 (Ch), Norris J. rejected a claim that there was a likelihood of confusion between the appellant’s mark and the respondent’s mark. However, he found that:

“34. As I have said above, at a first glance the block of text in the Respondent’s Mark looks like something that Lonsdale might be connected with (a first impression soon dispelled in the case of the average consumer). But that first glance is important. Those who look at the wearer of a product bearing the Respondent’s Mark might not get more than a glance and might think the wearer was clad in a Lonsdale product. The creation of that illusion might be quite enough for the purchaser of a "look-alike" product: indeed who but such a person would knowingly buy a "pretend" product? Further, it undoubtedly dilutes the true "Lonsdale" brand by putting into circulation products which do not proclaim distinctiveness but rather affinity with a reputable brand.

35. In my judgment the case under s.5(3) was made out on the evidence as found by the Hearing Officer.”

91. In the present case, given the identity/high similarity of the goods involved, the link with the opponent’s mark is apt to create a subtle transfer of image of the opponent’s mark, or of the characteristics which it projects (i.e. lifestyle brand and high-quality clothing and footwear) to the goods sold under the contested mark which amounts to taking an unfair advantage of the opponent’s mark. Alternatively, the similarity between the devices in the marks is sufficient to create the illusion of a ‘BEVERLY HILLS POLO’ "look-alike" product, giving rise to the ahead of damage identified by the above case-law.

92. The opposition based upon Section 5(3) is also successful.

Section 3(6)

93. Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

94. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, EU:C:2019:724, *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening*, Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH & Co KG (intervening)*, Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening)*, Case T-507/08, EU:T:2011:46. It summarised the law as follows:

“68. The following points of relevance to this case can be gleaned from these CJEU authorities:

1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].
2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].
3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking

must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacılık* at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].

5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].

6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].

9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].

10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].

11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacılık* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52].

13. Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration: *Psytech* at [88], *Pelikan* at [54].”

95. According to *Alexander Trade Mark*, BL O/036/18, the key questions for determination in a claim of bad faith are:

(a) What, in concrete terms, was the objective that the applicant has been accused of pursuing?

(b) Was that an objective for the purposes of which the contested application could not be properly filed? and

(c) Was it established that the contested application was filed in pursuit of that objective?

96. It is necessary to ascertain what the applicant knew at the relevant date: *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch). Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others*, [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16).

97. The opponent's bad faith case is based on the allegation that the applicant knew of the opponent's mark because she was involved in previous opposition proceedings at EUIPO in which the opponent was partially successful. An allegation of bad faith is a serious allegation that must be distinctly proved; however, the opponent has filed no evidence in support of its bad faith case. EUIPO decisions are not binding upon me, and the fact that there has been previous litigation between the parties in another jurisdiction is not, in itself, sufficient to establish bad faith. Further, as the applicant correctly states, trade mark rights are territorial in nature and regardless of what was decided at the EUIPO, I must undertake an analysis of the facts as relevant to the position in the UK.

98. The opposition based upon Section 3(6) fails.

CONCLUSIONS

99. The opposition has succeeded in its entirety and the application is refused.

COSTS

100. As the opponent has been successful, it is entitled to a contribution towards its costs. Based upon the scale in Tribunal Practice Notice 2/2016, I award the opponent the sum of £1,600 as a contribution towards the cost of the proceedings. This sum is calculated as follows:

Preparing the Notice of Opposition	
And considering the applicant's counterstatement:	£400
Preparing evidence:	£1,000
Official fees:	£200
Total	£1,600

101. I therefore order Natalia Buzzetti to pay Evelyn Roberts Limited to pay the sum of £1,600. This 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 9th day of March 2023

**Teresa Perks
For the Registrar**