O/0688/25

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003916442
BY SABHAI TRADING LTD
TO REGISTER:

MJ HOME

AS A TRADE MARK IN CLASSES 11, 27 & 28

AND

IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 443112 BY
XIAOMI INC.

BACKGROUND AND PLEADINGS

1. On 28 May 2023, Sabhai Trading Ltd ("the applicant") applied to register the trade mark shown on the cover page of this decision in the UK ("the applicant's mark"). The application was published for opposition purposes on 16 June 2023 and registration is sought for the following goods:

   Class 11: Rice cookers; Electric rice cookers; Kitchen stoves; Kitchen machines (Electric -) for cooking; Cooking appliances; Appliances for cooking; Electric kitchen ovens.

   Class 27: Carpets, rugs and mats.

   Class 28: Toys; Plush toys.

2. On 18 September 2023, the applicant's mark was opposed by Xiaomi Inc. ("the opponent"). The opposition is based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act").

3. The section 5(2)(b) ground is reliant upon the following marks:

   International registration (designating the UK) no. 1381628
   International registration date: 30 March 2016
   Date designation was sought in the UK: 30 March 2016
   Date protection in the UK was granted: 7 June 2018
   Partial priority dates: 22 December 2015 (China) and 18 November 2016 (China)
   Relying on some goods only, namely:

Class 11: Lamps; lights for vehicles; cooking utensils, electric; refrigerators; electric hair dryers; air conditioning apparatus; heating apparatus; heating installations; watering installations, automatic; bath installations; water purification installations; radiators, electric; lighters.

Class 28: Games; toys; go board games; coin-operated billiard tables; body-building apparatus; skateboards; roller skates; body protector; rods for fishing; scratch cards for playing lottery games.

("the opponent's first mark");

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International registration (designating the UK) no. 1462437
International registration date: 20 August 2018
Date designation was sought in the UK: 20 August 2018
Date protection in the UK was granted: 20 September 2019
Priority date: 1 March 2018 (China)
Relying on some goods only, namely:

Class 11: Lamps; lights for vehicles; germicidal lamps for purifying air; curling lamps; acetylene flares; cooking apparatus and installations; lava rocks for use in barbecue grills; refrigerators; air purifying apparatus and machines; hair driers [dryers]; water heaters; stage fog machine; heating installations; watering installations, automatic; solar heaters for baths; filters for drinking water; radiators, electric; lighters; polymerisation installations; air cleaner; household air cleaner; portable electric fans; fans [air-

conditioning]; household electric fans; LED lamps; air conditioners; air filters for air conditioning; portable headlight; household electric water purifier; water filtering apparatus; reading lamps; desk lamps; electric cooker; coffee percolators, electric; kettles, electric; household faucet filters; water purifying apparatus; household humidifier; coffee machines, electric; multicookers; ceiling lights; bathroom warmers; household electric kettle; bread toasters; microwave ovens [cooking apparatus].

("the opponent's second mark");

International registration (designating the UK) no. 1342136
International registration date: 22 July 2017
Date designation was sought in the UK: 22 July 2016
Date protection in the UK was granted: 5 October 2017
Relying on some goods only, namely:

Class 28: Apparatus for games; jigsaw puzzles; dolls; play balloons; toys; games; mobiles [toys]; plush toys; playing cards; board games; skateboards; protective paddings [parts of sports suits]; body-building apparatus; archery implements; swimming pools [play articles]; ornaments for Christmas trees, except illumination articles and confectionery; scratch cards for playing lottery games; fishing tackle; camouflage screens [sports articles]; portable games with liquid crystal displays; radio-controlled toy vehicles; mah-jong; chess games; rackets; roller skates; shin guards [sports articles]; lines for fishing; living room game toys;

board games; poker; protective pad (complete set of sportswear components); sports racket; plastic race track; sweat absorption band for racket; swimming belts; cheering squad toy.

("the opponent's third mark"); and

UK registration no. 918214854 [1]
Filing date 25 March 2020; registration date 18 July 2020
Relying on some goods only, namely:

Class 27: Bathroom Carpets; Mats; Pillow mats; Non-slip mats; Carpets for automobiles; Bath mats; Yoga mats; Carpet underlay; Gymnasium mats; Wallpaper; Tatami mats.

("the opponent's fourth mark").

4. Under its section 5(2)(b) ground, the opponent claims that the marks at issue are highly similar and that the goods at issue are identical or at least highly similar. As a result, the opponent claims that there is a risk of confusion and/or association between the marks at issue.

5. Under the section 5(3) ground, the opponent relies on all of the marks highlighted above as well as the following:

[1] The opponent's fourth mark is a comparable mark based on earlier International Registrations designating the EU. On 1 January 2021, in accordance with Article 54 of the Withdrawal Agreement between the UK and the European Union, the UK IPO created comparable UK trade marks for all right holders with existing IRs designating the EU.

International registration (designating the UK) no. 1650491
International registration date: 13 July 2021
Date designation was sought in the UK: 13 July 2021
Date protection in the UK was granted: 18 August 2022
Relying on some goods only, namely:

Class 11: Lamps; lighting apparatus; desk lamps; electric night lights; portable headlamps; ceiling lights; light bulbs; torches for lighting; lights for vehicles; germicidal lamps for purifying air; curling lamps; oil lamps; electric saucepans; pressure cookers [autoclaves], electric; tortilla presses, electric; gas burners; kettles, electric; electric toasters [for household purposes]; electrical rice cookers / electric rice cookers; electric kettles [for household purposes]; electromagnetic induction cookers; electric frying pans; air fryers; electric egg boilers; electric coffee machines / electric coffee brewers; microwave oven (kitchen appliance); soya milk making machines, electric; baking ovens [for household purposes]; electric cooking stoves [for household purposes]; electrically-heated mugs; lava rocks for use in barbecue grills; refrigerators; air purifiers; humidifiers for household purposes; air sterilisers; garment steamers; dehumidifiers for household purposes; electric fans; humidifiers; air filtering installations; extractor hoods for kitchens; air conditioners; clothes dryers; electric clothes dryers; fans [air-conditioning]; air reheaters; hair driers [dryers]; water heaters; fog generators; automatic faucets; ornamental fountains;

hydromassage bath apparatus; heating lamps for bath; hand drying apparatus for washrooms; sanitary apparatus and installations; water dispensers; electric water purifiers for household purposes; water filtering apparatus; apparatus for filtering drinking water; pocket warmers; radiators, electric; lighters; polymerisation installations.

Class 28: Games; apparatus for games; electronic games for the teaching of children; video game interactive control floor pads or mats; slides [playthings]; building blocks, large size; smart electronic toy vehicles; toy robots; toy models; smart toys; drones [toys]; toys; toy vehicles; baby gyms; battery operated toys; play sets for action figures; scooters [toys]; building blocks [toys]; remote-controlled toy vehicles; cube-type puzzles; balls for games; stationary exercise bicycles; exercise steppers; running machines; body-training apparatus; bows for archery; machines for physical exercises; jump ropes; skateboards; hunting game calls; swimming pools [play articles]; protective paddings [parts of sports suits]; gloves for games; in-line roller skates; ornaments for Christmas trees, except lights, candles and confectionery; rods for fishing; twirling batons; camouflage screens [sports articles]; scratch cards for playing lottery games; grips for rackets; grip tapes for golf clubs.

("the opponent's fifth mark").

6. In respect of this ground, the opponent claims that its marks benefit from a reputation in the UK to the point that they are synonymous with the opponent's wide range of goods and services. The opponent's position is that the applicant's use of its mark, without due cause, would take advantage of, or be detrimental to the distinctive character and/or reputation of the opponent's marks.

7. Turning lastly to the section 5(4)(a) ground, I note that the opponent relies on a sign that is identical to its fifth mark[2] and the word only sign 'MI'. I will refer to these signs as the opponent's first and second signs, respectively. The opponent claims to have used these signs throughout the UK since 2010 in respect of the following goods:

> "Computer hardware; computer peripheral equipment; computer software; application software; data processing equipment; computer memory devices; pedometers; smartphones; mobile phone accessories; global positioning system apparatus; sound recording devices; headphones; cameras; portable media players; video cameras; smart watches; electronic sensors; security cameras; smart home products; battery chargers; vehicles; electric vehicles; electric scooters; cars; electric cars; scooters [toys]; remote-controlled toy vehicles; drones [toys]; toys; vacuum cleaners; cleaning apparatus; retail services for smartphones, computer hardware and software, vacuum cleaners, electric vehicles, electric scooters, battery chargers, lighting apparatus and instruments; repair and maintenance services for vehicles, electric vehicles, electric scooters and scooters; cookers; Kitchen stoves; Kitchen machines (Electric -) for cooking; Cooking appliances; Appliances for cooking; Electric kitchen ovens; Carpets, rugs and mats; Toys; Plush toys."

8. In respect of this ground, the opponent claims to have acquired goodwill in its business under the signs relied upon and, as such, use of the applicant's mark would, by virtue of its similarity to the opponent's signs, misrepresent to consumers that the applicant's mark originates from, or is associated with, the opponent. It is claimed that this would inevitably cause damage to the opponent.

9. The applicant filed a counterstatement wherein it denied the claims against it.

[2] Where asked to reproduce the sign relied upon, the opponent has referred to 'Attachment 6'. There is no attachment under this number accompanying the notice of opposition. However, the section 5(3) ground wherein the opponent relies upon its fifth mark is also referred to as attachment 6 so it can reasonably be inferred that this is a reference to an identical sign.

10. The applicant is unrepresented. The opponent is represented by Abion UK Limited. Only the opponent filed evidence in chief. No hearing was requested and only the opponent filed written submissions in lieu of the same. This decision is taken after careful consideration of the papers.

11. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

EVIDENCE

12. The opponent's evidence in chief came in the form of the witness statement of Matthew Bedford dated 31 May 2024. Mr Bedford is a Senior Associate at the opponent's representative, a position he has held since September 2018. Mr Bedford's statement is accompanied by 41 exhibits, being MB1 to MB41, and was adduced in order to demonstrate the opponent's reputation and goodwill in its marks/signs.

13. I do not intend to summarise the evidence in full here (or the submissions of the opponent, for that matter). However, I confirm that I have taken all filed documents into account and will summarise them to the extent that I deem necessary below.

DECISION

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

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

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

(a) …

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

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

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

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

16. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

"(6)(1) In this Act an "earlier trade mark" means –

(a) a registered trade mark or international trade mark (UK) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.

17. The opponent's marks all qualify as earlier trade marks under the above provisions. Save for the opponent's third mark, all of the marks relied upon completed their

registration processes less than five years before the filing date of the applicant's mark. Even though it was open for the applicant to request proof of use for this third mark, it did not do so. As a result, the opponent's marks are not subject to the use provisions and the opponent may, therefore, proceed to rely on all the goods highlighted in its notice of opposition.

18. 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) ("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

19. The applicant's goods are listed at paragraph 1 above whereas the opponent's goods are listed under the respective marks at paragraph 3 above.

20. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

> "Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary".

21. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

(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.

22. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court stated that:

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

Class 11

Cooking appliances; Kitchen stoves; Appliances for cooking.

23. The above terms are all types of cooking appliances that are not limited in any way so may, therefore, use electricity to cook. As a result, they can all be said to encompass the term "electric cooker", which sits in the opponent's second mark's specification. Therefore, I find that these goods are identical under the principle outlined in *Meric*.

24. I note that the opponent also relies on the class 11 goods in its first mark's specification. This includes "cooking utensils, electric" and "refrigerators". Both of these terms are types of kitchen appliances and while they are not the same as the applicant's goods, I am of the view that there is a degree of similarity between them. I say this because while their natures, methods of use and purposes all differ, they are likely to be produced and sold by the same undertakings meaning that they overlap in trade channels. Further, they are all likely to be sought by the same average consumer. That being said, the overlap in user is likely to be at a general level on the basis that the consumer bases for such goods are incredibly wide. Taking all of this into account, I find that the above goods are similar to a very low degree with the goods in the opponent's first mark.

Rice cookers.

25. The above term is not limited in how it is powered, meaning that it can cover an electric rice cooker. The opponent's second mark's specification includes the term "electric cooker" which can cover rice cookers. Therefore, I find that the opponent's term encompasses the applicant's. As such, these goods are identical under the principle outlined in *Meric*.

26. Following the same reasoning to that set out at paragraph 24 above, I also find that the above goods are similar to a very low degree with "cooking utensils, electric" and "refrigerators" in the opponent's first mark's specification.

Electric rice cookers; Kitchen machines (Electric -) for cooking; Electric kitchen ovens.

27. The above goods are specifically electric cooking appliances. Given that the opponent's second mark's specification includes the term "electric cooker", I find that the above goods all fall within the opponent's. As such, these goods are identical under the principle outlined in *Meric*.

28. In addition to the above, I also consider it necessary to set out that the comparison I have made at paragraph 24 is also applicable here. Therefore, I also find that the above goods are similar to a very low degree with "cooking utensils, electric" and "refrigerators" in the opponent's first mark's specification.

Class 27

Carpets […] and mats.

29. In respect of the above goods, the opponent relies on its fourth mark only. This mark is protected for the terms "bathroom carpets" and "mats". Clearly, the opponent's term "bathroom carpets" falls within the term "carpets", meaning that

these terms are identical under the principle outlined in *Meric*. Further, the use of "mats" in both specifications means that these terms are self-evidently identical.

Rugs.

30. My primary view is that the terms "rugs" and "mats" are terms that may be used interchangeably. As such, I find that the above term is identical with "mats" in the opponent's fourth mark's specification. However, if this is incorrect, I am of the view that there remains a degree of similarity between them. I say this because they are both goods made of similar materials that are placed on the floor. Further, the goods will be used to either protect the floor or for aesthetic purposes. As such, I find that these goods overlap in nature, method of use and purpose. In addition, the goods are likely to be sought by the same user and produced and sold by the same undertakings. As a result, I find that if the goods are not identical, then they are highly similar.

Class 28

Toys; Plush toys.

31. In respect of this class of goods, the opponent relies on its first and third marks. Those marks are both registered for the term "toys". This is self-evidently identical to the former term listed above. Further, it is broad enough to encompass the second term listed above meaning that these terms are identical under the principle outlined in *Meric*.

The average consumer and the nature of the purchasing act

32. The case law, as set out earlier, requires that I determine who the average consumer is for the respective parties' goods. I must then decide the manner in which these goods are likely to be selected by the average consumer in the course

of trade. 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."

33. The goods at issue, whilst varied, will be those sought by the general public at large. The goods will be sold in both ordinary and more specific retailers (such as kitchen, carpet and toy shops). The goods will be placed on shelves or displayed on shop floor displays (for larger kitchen appliances) or on swatches (for the carpet goods only). Alternatively, the goods will also be available on retailers' websites where they will be selected after the consumer views an image of the same. I consider that the selection process will be dominated by the visual component though I do not discount that the aural component will play a role by way of word-of-mouth recommendations or advice from sales assistants.

34. The goods at issue will range in cost from relatively cheap goods such as plush toys to those that can be relatively expensive, such as kitchen appliances like ovens or induction hobs. The goods are, again, likely to be selected at a varying degree of consistency with plush toys being relatively frequently selected goods with larger kitchen appliances being less frequent. In terms of the degree of attention paid, it should come as no surprise given what I have said above that this too will vary. Plush toys will likely be selected with a lower degree of attention on the basis that they will be casual purchases. Kitchen appliances, however, will

warrant consideration as to their efficiency, purpose, materials used or aesthetic qualities. In my view, even where the goods are on the more expensive end of the scale, they are not going to be of a considerable expense to the point that the level of attention paid would be any higher than medium. As a result, I find that the level of attention paid will range from a lower degree to a medium degree depending on the goods selected.

Comparison of the marks

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

36. 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."

37. 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.

38. The respective trade marks are shown below:

The opponent's marks	The applicant's mark
 ("the opponent's first mark")  ("the opponent's second mark")  ("the opponent's third mark")  ("the opponent's fourth mark")	MJ HOME

39. I have submissions from the opponent in respect of the comparison of the marks. As for the applicant, while it filed no submissions, it did comment on the marks in

the counterstatement. While I do not intend to reproduce these in full here, I can confirm that I have given them due consideration.

Overall impression

40. The applicant's mark is a word only mark consisting of the letters 'MJ' followed by the word 'HOME'. For reasons that will become obvious below, I consider that the letters 'MJ' will play the greater role within the applicant's mark, with the word 'HOME' playing a lesser role.

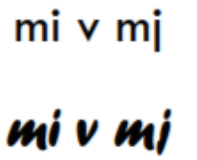
41. I turn now to the opponent's marks. In its submissions, it refers to its first mark as the 'MJ' device mark. This is on the basis that the shape of the device is said to resemble the letter 'M' on top of the letter 'J'. While this is noted, I do not agree that consumers would see the mark in this way on first impression. Instead, they would simply see it as a stylised shield device and would not identify it as consisting of any verbal elements.[3] As there are no other elements in this mark, it is in the shield device that the overall impression resides. As for the opponent's second mark, this is a figurative mark that is made up solely of the element 'Mi' in a standard black typeface on a white background. The stylisation used is inconsequential and is likely to be overlooked entirely. As such, I find that the overall impression of this mark lies in the letters 'Mi'. The opponent's third and fourth marks are pretty much identical. I say this because they reproduce the same element on a white background, albeit with the third mark presented slightly larger. This element is a figurative representation of two characters. The second of which will clearly be understood as the letter 'I'. As for the first character, I appreciate that this will be viewed as the letter 'M'.[4] However, it is presented in a highly stylised manner. As a result, I find that while the overall impressions of these marks lie in the letters

[3] If I am wrong on this point and some consumers *do* see the mark in this way, they will not make up a significant proportion of consumers.
[4] It is my view that some consumers may, due to the stylisation used, see it as a lower case 'n'. However, in the present case, I am of the view that the proportion of consumers who see it as an 'M' make up a significant proportion of consumers and it is upon these consumers that I will focus on in my decision.

‘MI’, with the stylisation of the letter ‘M’ also playing a role, albeit a slighter lessened one.

Visual comparison

42. Given what I have said about the opponent’s first mark above, I do not consider that there is any degree of visual similarity between it and the applicant’s mark. These marks are, therefore, dissimilar. Turning now to a comparison with the opponent’s second mark, I will first set out that the applicant’s mark is capable of being presented in the exact same typeface as that of the opponent’s. As such, the typeface used offers no visual distinction between the marks. In comparing these marks, they share the same first letter, being the letter ‘M’. They differ in their second letters and the presence of the word ‘HOME’ in the applicant’s mark. I note that the opponent submits that ‘MJ’ and MI’ can be presented in certain typefaces that render the letters ‘i’ and ‘j’ very similar. For illustrative purposes, I note that the opponent puts forward the following presentations:



43. While I am not convinced that consumers will ordinarily mistake the letters ‘i' and ‘j’ for one another (as the above illustration appears to suggest), I do accept that they are similar when presented in lower case which, again, the applicant’s mark is capable of. Overall, I appreciate that the first letter of the marks is identical, however, the consumer will not ignore the different second letter and neither will they ignore the word ‘HOME’, regardless of its role in the applicant’s mark. As a result, I find that these marks are similar to a medium degree.

44. Lastly, I move to consider the applicant's mark against the opponent's third and fourth marks. The marks share the letter 'M' but the stylisation of this letter in the opponent's marks is such that it will act as a considerable point of visual difference. In saying this, I rely on the fact that while the applicant's mark is word only, fair and notional use of the same does not cover the same stylisation used in the opponent's marks. In addition, the marks differ further in the presence of the letter 'J' and the word 'HOME' in the applicant's mark and the letter 'I' in the opponent's mark. Overall, I consider that the marks are similar to between a low and medium degree.

Aural comparison

45. The opponent argues that the pronunciation of its first mark is 'MJ'. As I do not consider that consumers will view the mark in this way, I disagree. Instead, I do not consider that the opponent's mark is capable of aural pronunciation. Therefore, I find that it is incapable of being compared to the applicant's mark.

46. The opponent's submission in respect of its second mark is that it will be pronounced as 'EM-EYE'. On the basis that the 'i' is presented in lower case, I consider that the opponent's mark is more likely to be pronounced the same as the word 'me'. The applicant's mark, on the other hand, will be pronounced as 'EM-JAY-HOWM'. On this point, I am of the view that while 'HOME' plays a lesser role in the applicant's mark, it does not mean that it is aurally invisible.[5] While both marks include the letter 'M', the actual pronunciation of the letter differs across the marks. All other syllables differ entirely and, as such, I find that these marks are, at best, aurally similar to a very low degree. However, if I am wrong and the opponent's second mark is pronounced as' EM-EYE', then it will share a greater degree of similarity with the applicant's mark due to the identical pronunciation of their first syllables. Such a point of identity will, in my view, increase the level of aural similarity to between a low and medium degree.

[5] See *Purity Hemp Company Improving Life as Nature Intended* (Case BL O/115/22)

47. The opponent's third and fourth marks will be pronounced as 'EM-EYE'. In light of what I have said in the second half of the preceding paragraph, I find that this means that the opponent's third and fourth marks are aurally similar to between a low and medium degree with the applicant's mark.

Conceptual comparison

48. The opponent's first mark will be viewed as a device resembling a shield. While consumers will understand what a shield is, I do not consider that it carries any conceptual meaning from a trade mark perspective. As for the opponent's second mark, I am of the view that because it will be pronounced as the word 'me', consumers will understand it as a deliberate misspelling of the same. If so, this is the concept that will be derived from this mark. However, if perceived as an initialism, then the mark will carry no obvious concept. Turning to the opponent's third and fourth marks, I have set out above that these will be perceived as initialisms so, like the alternative scenario put forward for the second mark, they will also carry no obvious meaning.

49. As for the applicant's mark, the letters 'MJ' will be understood as an initialism which carries no obvious meaning. The word 'HOME', however, will plainly be understood as a reference to the location where someone lives. This word carries allusive qualities on the basis that consumers will understand it refers to goods that are used in the home. As a whole, the applicant's mark does not carry any unitary meaning and will, instead, be viewed as a combination of an unknown initialism and a well-known word.

50. Conceptually, the opponent submits that the marks at issue are not capable of a conceptual comparison. I agree to some extent. This is because I have found that the opponent's first, third and fourth marks carry no conceptual meaning and are, therefore, incapable of being compared from a conceptual point of view. I say this

regardless of the impact of the word 'HOME' on the applicant's mark.[6] Such marks are, therefore, conceptually neutral. That being said, I have set out above that it is possible that the opponent's second mark will be viewed as a deliberate misspelling of the word 'me'. In this scenario, the opponent's second mark will carry some conceptual meaning, i.e. a reference to 'me'. While the applicant's mark's 'MJ' element carries no meaning, the word 'HOME' gives it some concept in the eyes of the consumer. These conceptual elements are plainly different and, in my view, render the marks, as wholes, conceptually dissimilar. However, where the opponent's second mark is viewed as an initialism, the marks will, like all of the others, be conceptually neutral.

Distinctive character of the opponent's mark

51. 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

[6] This is because regardless of the impact of the word 'HOME' on the applicant's mark, the opponent's marks are devoid of any meaning so are not capable of being compared.

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)."

52. Registered trade marks possess varying 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 marks can be enhanced through use, and I note that the opponent has filed evidence to that effect. I will, therefore, consider whether this evidence is sufficient to give rise to a finding that the distinctiveness of the opponent's marks has been enhanced through use. Before doing so, I will consider the inherent position.

53. The opponent's position is that the distinctive element of its marks are the letters 'MJ' (for its first mark) and 'MI' (for its remaining marks). It is submitted that these letters impart a high degree of distinctive character. Firstly, I do not consider that consumers would see the first mark as consisting of the letters 'MJ' and will, instead, view it as a shield device. Secondly, I see no reason why the distinctiveness of two letters would be high (regardless of whether they are perceived as the word 'mi' or the initialism 'M-I'). My reasons follow.

54. Dealing with the opponent's first mark, I am of the view that it will be viewed as simply consisting of a shield device. While it is not capable of carrying any descriptive or allusive message, it is fairly weak in distinctive character due to the fact it is a banal device element. While I do not consider the distinctiveness will be outright low, I find that it will sit at somewhere between a low and medium degree.

55. Regardless of whether the dominant elements of the opponent's second through fourth marks are articulated like the word 'me' or as the letters 'M-I', they are not particularly remarkable from a trade mark perspective. Having said that, they are not descriptive or allusive of the goods relied upon. As such, I am of the view that the distinctiveness associated with this element will be medium. Given that the opponent's second mark is simply the letters 'Mi', I consider that the finding of a medium degree of distinctiveness lies in the mark as a whole. As for the opponent's third and fourth marks, I consider that the stylisation used in the letter 'M' is such that it will increase the distinctiveness of the marks. In my view, this means that the distinctiveness of these marks sits at an above medium (but not high) degree.

56. In addition to the above, the opponent claims that its marks enjoy enhanced degrees of distinctiveness. On this point, I note that the evidence confirms that the opponent shipped approximately 675 million smartphones globally between 2017 and 2021 and achieved an annual global turnover of between 65 billion and 245 billion RMB between 2015 and 2020. In addition, additional turnover figures are provided for Western Europe, India and Indonesia which shows that between 2018 and 2020, the opponent accrued a revenue of approximately 282 billion RMB. Clearly, such evidence demonstrates a very high level of use that points to the opponent as being a large global company. However, such goods are not relied upon under the present ground and while the evidence does include reference to other goods such as desk lamps,[7] air purifying units,[8] electric scooters[9] and light bulbs[10] (all of which can be said to be home goods), there is nothing to suggest any level of actual use for such goods in the UK (or the EU, for that matter). As such, the evidence cannot be said to demonstrate a level of awareness of the opponent's brand in the UK for the goods that are relied upon under the present ground. As a result, the opponent has not suitably demonstrated use that can be

[7] See page 265 at MB30
[8] See page 280 at MB30
[9] See pages 67 and 71 at MB8 and page 269 at MB30
[10] See page 155 at MB20

said to have increased the level of distinctiveness of its marks meaning that the inherent position applies.

Likelihood of confusion

57. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier registrations, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

58. In respect of the goods at issue, I have found them to be mostly identical, though I have found that if this is incorrect for some goods then they are similar to a high degree. In addition, some of the goods relied upon under the first mark are only similar to the applicant's class 11 goods to a very low degree. The average consumer base is formed of members of the general public who will select the goods by primarily visual means, although I do not discount an aural component. I have concluded that the average consumer will pay either a lower or medium degree of attention depending on what goods are being selected. In respect of the comparison of the marks, I have found the applicant's mark to be:

a. Visually dissimilar and aurally and conceptually neutral with the opponent's first mark;

b. Visually similar to a medium degree, aurally similar to either a very low or between a low and medium degree (depending on how 'Mi' is pronounced) and conceptually dissimilar or conceptually neutral (again, depending on how 'Mi' is perceived) with the opponent's second mark; and

c. Visually and aurally similar to between a low and medium degree and conceptually neutral with the opponent's third and fourth marks.

59. Lastly, I have found that the opponent's first mark is inherently distinctive to between a low and medium degree, the opponent's second mark is inherently distinctive to a medium degree and the opponent's third and fourth marks are inherently distinctive to an above medium (but not high) degree.

60. In making my following findings, I confirm that I have taken all of the relevant factors into account together with the principle of imperfect recollection. Firstly, I will assess the issue of confusion in respect of the opponent's first mark. Given what I have said above regarding the opponent's first mark, it should come as no surprise that I do not consider that the applicant's mark and the opponent's first mark will be misremembered or inaccurately recalled for one another. This is particularly the case given that the first mark bears no degree of similarity with the applicant's mark so I see no reason why any consumer would be confused between them. This finding applies even where the class 28 goods at issue here are identical.

61. In respect of the remaining marks, the opponent submits that the clear overlaps between the marks fall at their beginnings and given that this is where consumers tend to focus, there is a likelihood of confusion by way of simple mistake. In considering this argument, I remind myself that identical beginnings may be

sufficient to give rise to a likelihood of confusion.[11] In considering this principle here, it is clear that the marks at issue do have identical beginnings. However, this is not the end of the matter. I say this because, firstly, identical or similar beginnings are not always decisive.[12] Secondly, this point of similarity resides in just one letter. In my view, it does not simply follow that consumers would overlook the second letters for one another, regardless of how they are presented. It is my view that the shared first letters in these marks is not a compelling point in favour of a finding of confusion. Put simply, regardless of the role that 'HOME' plays in the applicant's mark, I do not consider that consumers would misremember the elements 'Mi'/'MI' for 'MJ', or vice versa. In support of this finding, I remind myself that the opponent's marks are short marks. While there is no special test for short marks,[13] I am of the view that the shortness of the opponent's marks is such that consumers are more likely to notice the differences when compared to the applicant's mark. Even where the distinctiveness of the opponent's third and fourth marks is at an above medium degree, that higher level is associated with the stylisation of the letter 'M' so I do not consider that this is of any real assistance to the opponent. Consequently, I do not consider that there exists a likelihood of direct confusion between the marks, even when considered on identical goods or where the consumer pays a lower degree of attention.

62. I will now proceed to consider indirect confusion. In doing so, I remind myself of the case of *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, wherein Mr 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

[11] In *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02
[12] *CureVac GmbH v OHIM,* T-80/08
[13] See paragraph 44 of *BOSCO*, BL O/301/20

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)".

63. While the above examples in *L.A. Sugar* are noted, they are not intended to be treated as an exhaustive list of the only instances wherein indirect confusion occurs.

64. Further, I note the case of *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, wherein Arnold LJ referred to the comments of James Mellor Q.C. (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at paragraph 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.

65. In respect of indirect confusion, I will first set out that I see no reason why the opponent' first mark would be indirectly confused with the applicant's mark. These marks bear no similarity with one another and, as such, I see no reason why the consumer would believe that they originate from the same or similar undertakings. As for the other marks, I note that the opponent's position is that categories (a) and (b) of *L.A. Sugar* (cited above) are applicable. In respect of the first category, the opponent claims that the common element of the marks are so strikingly distinctive that consumers would believe that only one undertaking uses them. I disagree. I say this because the common element is the single letter 'M', not the entirety of the 'MI' or 'MJ' elements. Put simply, this is not 'so strikingly distinctive' and, further, I do not consider that the shared use of a single letter (even if it is the first letter) is sufficient for consumers to make such a connection given the different second letters. As for category (b), I appreciate that the word 'HOME', in the context of the goods at issue, is likely to be something that consumers view as a non-distinctive addition indicative of a sub-brand or brand extension. However, in the present case, in order for confusion to occur, the consumer would need to mistake the 'MI' and 'MJ' elements and believe that they indicated the same or economically connected undertakings. For the reasons I have given above, I do not consider that the 'Mi'/'MI' or 'MJ' elements will be mistaken to the point that consumers would believe them to be connected to one another. Instead, I consider that they will simply be viewed as references to different economic origins, one being 'Mi' or 'MI'

and the other being 'MJ'. Taking all of this into account and bearing in mind the case law I have discussed at paragraph 64 above, I do not consider that there exists a likelihood of indirect confusion between the marks, even when considered on identical goods or where the consumer pays a lower degree of attention.

66. The present ground fails and I will now proceed to consider the section 5(3) ground of opposition.

Section 5(3)

67. Section 5(3) of the Act states:

> "5(3) A trade mark which –
>
> 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 (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark."

68. 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,* Case C-323/09, *Marks and Spencer v Interflora,* 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 Salomon, 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 holder 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).

69. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the marks are similar. Secondly, the opponent must show that its mark has achieved a level of knowledge/reputation amongst a significant part of the public throughout the relevant territory. Thirdly, it must be established that the level of reputation and the similarities between the parties' marks will cause the public to make a link between them, in the sense of the earlier marks being brought to mind by the applicant's mark. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

Reputation

70. I am of the view that I can deal with this ground relatively briefly. I say this because the marks relied upon under the present ground include goods in classes 11, 27 and 28. As I have set out above, the evidence before me has a significant focus on smartphones.[14] Regardless of how significant the evidence relating to these goods may be, they are not at issue under the present ground so even if I were to produce a full summary of the evidence and conduct a detailed assessment of the same, any reputation vested in the opponent's marks would be in goods that are not relevant to the present assessment. As a result, it cannot be the case that the opponent enjoys any level of reputation in the marks at issue here, for the goods relied upon. I, therefore, find that the present ground fails at the first hurdle.

Section 5(4)(a)

71. Section 5(4)(a) of the Act reads as follows:

> "(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) …..

[14] I appreciate that other goods such as software and smartwatches are shown in evidence but the clear focus of the opponent is smartphones.

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.”

72. 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.”

73. 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).”

74. 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."

Relevant Date

75. In *Advanced Perimeter Systems Limited v Multisys Computers Limited,* BL O-410-11, Mr Daniel Alexander Q.C., as the Appointed Person, endorsed the registrar's assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

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

'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.' "

76. The applicant's mark does not have a priority date. In addition, there is no evidence before me that is capable of pointing to use that could be deemed as being the start of the behaviour complained about. Therefore, the relevant date

for the present ground is the filing date of the applicant's mark, being 28 May 2023.

Goodwill

77. The first hurdle for the opponent is that it needs to show that it had the necessary goodwill in the signs relied upon as at the relevant date. I remind myself that the signs relied upon are as follows:

(the opponent's first sign); and

MI

("the opponent's second sign")

78. Further, I remind myself that opponent claims that its signs enjoy goodwill thanks to its use on the following goods:

> "Computer hardware; computer peripheral equipment; computer software; application software; data processing equipment; computer memory devices; pedometers; smartphones; mobile phone accessories; global positioning system apparatus; sound recording devices; headphones; cameras; portable media players; video cameras; smart watches; electronic sensors; security cameras; smart home products; battery chargers; vehicles; electric vehicles; electric scooters; cars; electric cars; scooters [toys]; remote-controlled toy vehicles; drones [toys]; toys; vacuum cleaners; cleaning apparatus; retail services for smartphones, computer hardware and software, vacuum cleaners,

electric vehicles, electric scooters, battery chargers, lighting apparatus and instruments; repair and maintenance services for vehicles, electric vehicles, electric scooters and scooters; cookers; Kitchen stoves; Kitchen machines (Electric -) for cooking; Cooking appliances; Appliances for cooking; Electric kitchen ovens; Carpets, rugs and mats; Toys; Plush toys”

79. Goodwill was described in *Inland Revenue CommissiÖners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL), in the following terms:

> “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.”

80. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

> “27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent that the enquiry under s.11 of the 1938 Act (see Smith Hayden & Co. Ltd's Application (OVAX) (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur."

81. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

"[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application."

82. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J. (as he then was) stated that:

"62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by *s.2(2) of the Trade Marks Act 1994*. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in *BALI Trade Mark [1969] R.P.C. 472*. The whole

point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used "but had not acquired any significant reputation" (the trial judge's finding). Again that shows one is looking for more than a minimal reputation."

83. While the issue for the opponent under the other grounds relied upon in these proceedings was that the evidence related to goods that were not at issue, that is not the case here. I say this because "smartphones" is a term for which the opponent claims to enjoy goodwill and, as above, it is on these goods that the opponent's evidence appears to focus.[15]

84. A finding of goodwill stems from trading activities aimed at UK customers. In the present case, the evidence shows a large level of use in the opponent's 'Xiaomi' brand. This is not the brand relied upon here but I note that a number of smartphone models are referred to under the sub-branding 'Mi', being the branding at issue here.[16] As I have mentioned above, the opponent's evidence sets out that, globally, it shipped approximately 675 million smartphones between 2017 and 2021 and accrued a turnover that ranged between 65 and 245 billion RMB between 2015 and 2020. Plainly, this is a very large level of use. While it is focused on global use, there is no breakdown of how it relates to the UK. I note that there is reference to sales in the UK and EU but this is shown within overall turnover that also includes India and Indonesia so is not particularly helpful to the present ground (which requires goodwill in the UK). I note that this turnover confirms that between 1 January 2018 and 31 December 2020, the opponent's revenue in these territories

[15] I note that there is reference to other goods in this category such as smartwatches and power banks, for example. However, the evidence has a clear focus on smartphones.
[16] As I have set out above, there is reference in the evidence to electric scooters. However, there is nothing to suggest a level of sales for such goods in the UK. Even if there were, I consider that electric scooters are not toys so would share no similarity with the applicant's goods, in any event.

was approximately 282 billion RMB. In respect of more specific UK use, the evidence includes a range of press coverage that is capable of demonstrating a level of awareness of the brand across the UK.[17] On balance, while the evidence is rather vague, it is at a very large level and, in the present case, I consider it reasonable to infer that it points to a finding that the opponent's business enjoys a level of goodwill in the UK. I consider that this goodwill is associated with the signs relied upon and, further, vests in the term "smartphones".

Misrepresentation and damage

85. 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]"
>
> The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd*. (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101."

86. And later in the same judgment:

[17] MB32

"…. for my part, I think that references, in this context, to "more than *de minimis*" and "above a trivial level" are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion."

87. Under the present ground, the opponent's goodwill vests in goods that, plainly, operate in a different field of activity than that of the applicant. Smartphones are included in a field of activity that is not, in any way, similar or overlapping with the applicant's field of activity, being in relation to kitchen appliances, carpets/rugs and toys. This does not necessarily mean that there cannot be a misrepresentation between the applicant's mark and the opponent's sign. However, it is a significant hurdle for the opponent. In saying this, I refer to the case of *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), wherein Millet L.J. stated that:

"Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one."

88. In addition, Millet L.J. referred to the case of S*tringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501, which set out that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other. On this point, Millet L.J. cited page 545 of the judgement in *Stringfellow* wherein Slade L.J. stated that:

"[E]ven if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage

to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one."

89. In the present case, I am of the view that regardless of the size of the opponent's goodwill, the evidence fails to satisfy the heavy burden to demonstrate that there exists any misrepresentation between the applicant's mark and the opponent's signs in light of the differing fields of activity.

90. Even ignoring the difference in the fields of activity, I remind myself of the case of *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, wherein Kitchin L.J. set out that it seemed doubtful whether the difference between the legal tests of misrepresentation under section 5(4)(a) and confusion under section 5(2)(b) will (all other factors being equal) produce different outcomes.[18] This is because they are both normative tests intended to exclude the particularly careless or careful, rather than quantitative assessments. In the present case, I appreciate that the signs relied upon here are not the same as the marks relied upon under the section 5(2)(b) ground above. However, they are very highly similar and are both dominated by the letters 'MI', which also formed the dominant element of the opponent's second through fourth marks. As a result, I consider that the same finding reached when considering confusion in respect of the opponent's second through fourth marks is appliable here. Therefore, relying on the same reasons set out at paragraphs 60 to 65 above, I find that there is no misrepresentation in the present case. Without a misrepresentation there can be no damage suffered. Therefore, I find that the opponent's section 5(4)(a) ground fails.

[18] Although this was an infringement case, the principles are equally applicable to section 5(2) of the Act: *Soulcycle Inc v Matalan Ltd* [2017] EWHC 496 (Ch).

CONCLUSION

91. The opposition fails in its entirety and, subject to any successful appeal of my decision, the applicant's mark may proceed to registration for all of the goods applied for.

COSTS

92. The applicant has succeeded in defending the application in its entirety. The applicant would, therefore, in the ordinary course of these proceedings, be entitled to a contribution towards its costs. However, the applicant is unrepresented meaning that, in order to claim its costs, it was required to file a completed costs pro-forma. It did not do so. On this point, I note that a blank costs pro-forma was provided to the opponent under the cover of a letter from the Tribunal dated 18 August 2024. This letter set out that:

> "If the pro-forma is not completed and returned, costs, other than official fees arising from the action (excluding extensions of time), may not be awarded."

93. As no costs pro-forma was filed and the applicant incurred no official fees arising from this action, I make no order as to costs. Therefore, both parties are to bear their own costs of these proceedings.

Dated this 24th day of July 2025

A COOPER
For the Registrar