O/0744/24

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION NUMBER 3670516
IN THE NAME OF SKULLCANDY, INC.
FOR THE TRADE MARK

INDY

IN CLASS 9

AND

THE APPLICATION FOR A DECLARATION OF INVALIDITY THEREOF
UNDER NUMBER 505510
BY LINDY ELECTRONICS LIMITED

Background and pleadings

1. Trade mark registration number 3670516 for the mark INDY stands registered in the name of Skullcandy, Inc. ("the proprietor") for earphones and headphones in class 9. The mark was filed on 29 August 2017, claiming priority from a US application filed on 25 August 2017, and it achieved registration on 28 December 2017.[1]

2. Lindy Electronics Limited ("the applicant") applied on 28 October 2022 for a declaration that the contested mark was registered invalidly under sections 47(2)/5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). The applicant relies upon the following earlier trade mark registrations in class 9 for its section 5(2)(b) ground:

(i) 2217088

LINDY

Filing date: 11 December 1999; registration date: 6 October 2000.

(ii) 2641072

(series of two marks)

Filing date 6 November 2012; registration date: 15 March 2013.

3. Under section 5(2)(b) of the Act, the applicant claims that the parties' goods are identical or similar and that the marks are similar, leading to a likelihood of confusion.

[1] The registration was transformed from International Registration number 1367202 into a UK national application, retaining all the original dates. Nothing turns upon this.

In relation to the second earlier mark, the applicant claims that it is well established that consumers will refer to a composite word and logo mark by the word alone.

4. Under section 5(4)(a) of the Act, the applicant claims that it has used the sign Lindy in the UK since 1987 in relation to the goods listed later in this decision and specifically in relation to headsets, headphones, earphones and information, advice, assistance and support services to retailers selling the applicant's goods. The applicant claims that its goodwill in the business of these goods, distinguished by its sign, entitles it to prevent the use of the contested registration under the law of passing off. It claims that there would be misrepresentation because the contested mark is highly similar to Lindy and the goods are the same or similar.

5. The proprietor filed a defence and counterstatement, denying the grounds of invalidation and putting the applicant to proof that it has used its marks. I note that the proprietor admits that there is some similarity between the parties' goods, but it denies that the marks are similar. It denies that when consumers consider a mark that includes a logo that they refer to it by the word alone.

6. The applicant is represented by Sandiford Tennant LLP and the proprietor by HGF Limited. Both parties filed evidence, with the applicant filing submissions alongside its evidence-in-reply. Neither party chose to be heard and only the proprietor filed written submissions in lieu of a hearing. I make this decision after a careful consideration of all the papers on file, referring to them as relevant and necessary.

Evidence

7. Mr Darren Casey, who has been the applicant's Managing Director since 1995, gives evidence for the applicant, in chief and in reply.[2] Ms Cherry Shin, the proprietor's trade mark attorney, gives evidence on its behalf.[3] Mr Casey's first witness statement goes to the use made of the earlier marks. His second witness statement replies to the proprietor's evidence about its own use of its mark.

[2] Respectively, witness statement dated 9 May 2023 and exhibits, and witness statement dated 17 November 2023 and one exhibit.
[3] Witness statement dated 18 September 2023 and exhibits.

Proof of use

8. The first task is to assess whether the evidence supports the applicant's statements that it has made genuine use of its marks in relation to the goods upon which it relies in its pleadings. There are two potentially relevant periods for this purpose. The first is the five years ending on the filing date of the invalidity application: 29 October 2017 to 28 October 2022. The second is the five year period ending on the priority date of the contested mark: 26 August 2012 to 25 August 2017. The relevant parts of Section 47 state:

> "47. (1) […]
>
> (2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-
>
> > (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
> >
> > (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,
> >
> > unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.
>
> (2ZA) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 5(6).
>
> (2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –
>
> > (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,
> >
> > (b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if –

(a) the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with their consent in relation to the goods or services for which it is registered-

(i) within the period of 5 years ending with the date of application for the declaration, and

(ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes –

(a) use of a trade mark includes use in a form (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D)-(2DA) [Repealed]

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the

purposes of this section as if it were registered only in respect of those goods or services.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)."

9. Both of the five year periods are applicable to earlier mark (i) because it had been registered for five years both at the filing date of the invalidity application and at the priority date of the contested registration. Under section 47(2B) of the Act, there must be genuine use in both of these five periods for the applicant to rely upon mark (i) for the purposes of section 5(2)(b) of the Act. Only the period 29 October 2017 to 28 October 2022 is applicable to earlier mark (ii) because it had not been registered for five years at the priority date of the contested registration, but had been registered for five years at the filing date of the invalidity application.

10. The onus is on the applicant, as the proprietor of the earlier marks, to show genuine use because Section 100 of the Act states:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

11. In *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, Arnold LJ summarised the law relating to genuine use as follows:[4]

"105. The principles applicable to determining whether there has been genuine use of a trade mark have been considered by the CJEU in a considerable number of cases, the principal decisions being Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159, Case C-416/04 P *Sunrider*

[4] 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.

Corp v *Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089], Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434] and Joined Cases C–720/18 and C–721/18 *Ferrari SpA v DU* [EU:C:2020:854].

106. Ignoring issues which do not arise in the present case, such as use in relation to spare parts or second-hand goods and use in relation to a sub-category of goods or services, the principles may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other

goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]."

12. The applicant has stated that it has made genuine use of earlier mark (i) in relation to *head sets* and earlier mark (ii) in relation to *headsets; headphones; earphones*.

13. Mr Casey states that the applicant has used Lindy in relation to a wide range of computer and audio-visual connectivity products and accessories. He describes Exhibit DC2 as an Excel spreadsheet headed, “Product Overview by Category”, which Mr Casey states lists a wide range of the applicant’s products. This exhibit does not look like an Excel spreadsheet to me. It is simply a list of product descriptions and codes, running to 117 pages. Shown below are extracts from pages 4 and 19 of the exhibit. I have reproduced the headings for the columns which only appear on page 1:

Main Category Name	No	Description
Audio & Video	19002	Earphone black 2,5mm
Audio & Video	19003	Earphone Universal, 2.5mm jack & 3.5mm adapter
Audio & Video	20256	HiFi Headphones HF-40
Audio & Video	20257	HF-20 - Wired On-Ear Headphones
Audio & Video	20258	CROMO NCX-100 Noise Cancelling Headphone
Audio & Video	20375	HF-110 Open Back Hi-Fi Headphones
Audio & Video	20376	Digital to Analogue Converter USB/Toslink/Coax to Phono L/R
Audio & Video	20378	Premium HiFi Headphones Noise Isolating Design
Audio & Video	20379	Notebook Microphone Premium 3.5mm connector
Audio & Video	20381	CROMO IEM-75 Dual Driver Earphones
Audio & Video	20396	IEM-50X - In-Ear Headphones with Dynamic Bass Tuning
Audio & Video	20397	Stereo Multimedia Adjustable Headphones with Microphone
Audio & Video	20398	Heatset with microphone
Audio & Video	20407	BTA-30 Bluetooth Audio Receiver with NFC
Audio & Video	20424	NC-60 - Wired Active Noise Cancelling Headphones
Audio & Video	20425	NC-40 - Wired Active Noise Cancelling Headphones
Audio & Video	20432	3.5mm & USB Type C Wired Headset with In-Line Control
Audio & Video	20433	3.5mm & USB Type C Monaural Wired Headset

(from page 4)

Audio & Video	73133	BNX-100XT Wireless ANC Headphones
Audio & Video	73134	BNX-60 - Wireless Active Noise Cancelling Headphones
Audio & Video	73136	BNX-60 - Wireless Active Noise Cancelling Headphones
Audio & Video	73140	BNX-100 - Wireless Active Noise Cancelling Headphones
Audio & Video	73146	BTS-360 Bluetooth 360° Speaker with NFC
Audio & Video	73156	BNX-60 & NC-60 Replacement Earpads
Audio & Video	73157	LH500XW Replacement Earpads
Audio & Video	73163	BNX-60XT Wireless ANC Headphones with aptX
Audio & Video	73187	Single Gang Pattress Box 10pcs Depth 44mm Internal Depth 41m
Audio & Video	73188	Single Gang Pattress Box 10pcs Depth 31mm Internal Depth 28m
Audio & Video	73190	BNX-80 Wireless ANC Headphones
Audio & Video	73193	LTS-50 Wireless In-Ear Headphones
Audio & Video	73194	LE400W Wireless In-Ear Headphones
Audio & Video	73200	LH500XW Wireless Active Noise Cancelling Headphone
Audio & Video	73201	LH500XW Wireless Active Noise Cancelling Headphone
Audio & Video	73202	LH700XW Wireless Active Noise Cancelling Headphone
Audio & Video	73203	LH900XW Wireless Active Noise Cancelling Headphone
Audio & Video	73204	LH500XW+ Wireless ANC Headphones

(from page 19)

14. Mr Casey goes on to say :

> "5. The Products sold by my Company are referred to on the Excel spreadsheet under the tab "current" and are listed in rows 1 to 5585 inclusive on the spreadsheet. The Product Overview by Category includes the sub headings 'Main Category Name, No and Description'. The Products and [sic] listed under the heading 'Main Category Name', using the descriptive terms 'accessories, audio & video, cables and adapters, components & tools, KVM, networking, power and USB'. The numerical number appearing under the heading 'No' is used to identify the Products on my Company's invoices, as can be seen in the Exhibit referred to in paragraph 8 below."

15. Although the descriptive terms are listed (such as, 'audio & video', shown in the reproduction above), and the items have codes, I cannot see anything corresponding to 'rows 1 to 5585 inclusive', or a tab which says "current". Nor can I see what Mr Casey refers to next in his witness statement:

"6. The Excel spreadsheet also lists under the tab "Historic" products that were previously sold by my Company up to 2009 which can be seen in rows 1-5173 of the spreadsheet."

16. There are no tabs and, as said earlier, this exhibit looks like a list, not a spreadsheet. However, the list appears to show current rather than historic item codes because they appear on the invoices which comprise Exhibit DC3 and which date from within the five years prior to the filing date of the invalidation application. The exhibit contains over 60 pages of invoices, which Mr Casey states is a selection of some of the applicant's invoices. They all are headed with earlier mark (ii) and all include headphones, listed either as a single item or amongst other items, to customers in the UK. Underneath earlier mark (ii), it says LINDY Electronics Limited:

17. I also note that there is a website address at the bottom: www.LINDY.com. Not all of the invoices fall within the relevant period for earlier mark (ii) (i.e. the later of the two relevant periods). For example, invoice 0000866691, to Amazon, is dated 1 February 2017.

18. I give below some examples which fall within the relevant period for earlier mark (ii) which is also the later of the two relevant periods for earlier mark (i):

- page 1, dated 28 February 2022, shows LTS-50 wireless in-ear headphones, with code 73193 which appears in the list in Exhibit DC2, at a cost of £42.97;
- page 2, dated 10 March 2022, shows NC-40 wired active noise cancelling headphones, with code 20425 which appears in the list in Exhibit DC2, at a cost of £59.39;
- page 8, dated 16 June 2022, shows 3.5mm & USB Type C wired headset with in-line control, with code 20432 which appears in the list in Exhibit DC2, at a cost of £44.17;
- page 9, dated 1 March 2021, shows Adjustable USB Headset with Microphone and Volume Control (code 42870, which appears in the list in Exhibit DC2, but not the part of the list which I have reproduced above), at a cost of £21.70; and Stereo Multimedia Adjustable Headphones with Microphone, with code 20397 which appears in the list in Exhibit DC2, at a cost of £10.50;
- page 14, dated 31 August 2021, shows 10 HF-20 Wired On-Ear Headphones, with code 20257 which appears in the list in Exhibit DC2, at a cost of £155.52;
- page 18, dated 2 March 2020, shows 20 BNX-100 Wireless ANC Headphones and 20 NC-60 Active Noise Cancelling Headphones, with respective codes 73140 and 20424 which appear in the list in Exhibit DC2, at a total cost of £2257.20;
- page 27, dated 31 January 2019, shows Lightweight On-Ear Headphones Adjustable Headband with code 20257 which appears in the list in Exhibit DC2, at a cost of £13.33;
- page 35, dated 3 January 2018, shows 10 BNX-60 Wireless Active Noise Cancelling Headphones with code 73136 which appears in the list in Exhibit DC2, at a cost of £749.90.

19. Examples of invoices which fall within the earlier relevant period for earlier mark (i) include:

- page 42, dated 3 January 2017, shows 3 BNX-60 Wireless Active Noise Cancelling Headphones with code 73136 which appears in the list in Exhibit DC2, at a cost of £173.22;

- page 44, dated 3 January 2017, shows 10 Noise Cancelling Headphones Inc in Flight Adapter & Bag with code 20425 which appears in the list in Exhibit DC2, at a cost of £259.80;
- page 55, dated 1 February 2017, shows HF-40 HiFi Headphones Detachable with code 20256 which appears in the list in Exhibit DC2, at a cost of £30.93.

20. Mr Casey gives turnover figures for the goods relied upon for section 5(2)(b), with a breakdown as to the percentage that the goods contributed to the applicant's total revenue. I have not given the applicant's total turnover figures because the applicant does not rely upon other electrical goods for section 5(2)(b). Only turnover figures for the goods relied upon are relevant for this ground, which are as follows:

Year	**£**	**%**
2015	99,004	2
2016	284,366	6
2017	364,131	7
2018	601,523	11
2019	419,267	9
2020	376,329	8
2021	331,883	8
2022	320,234	6

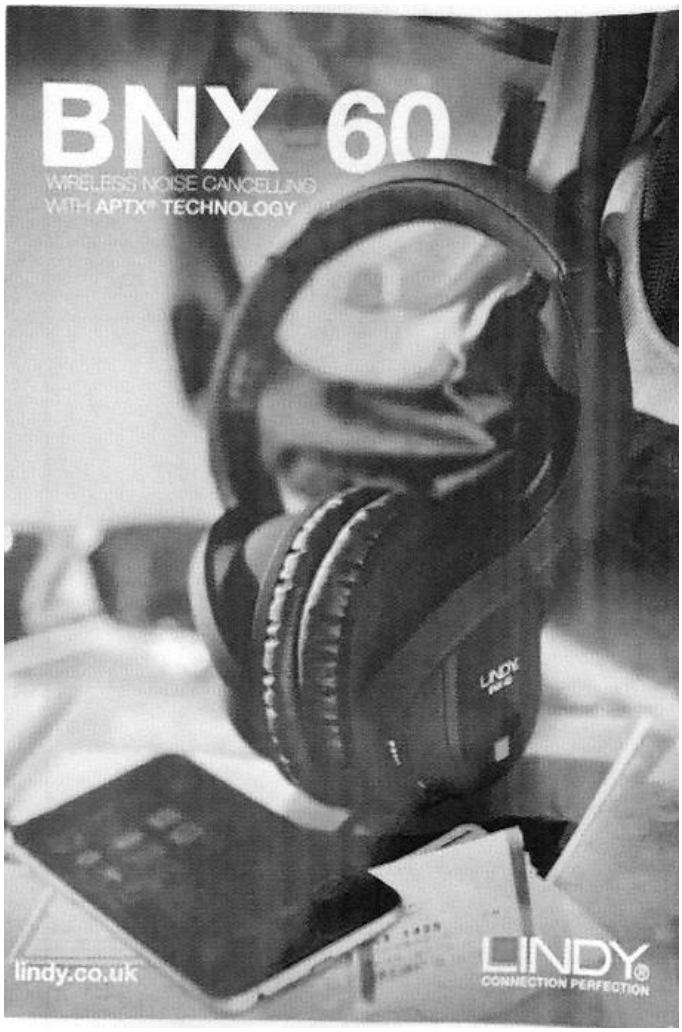
21. Print and digital advertising spend for the goods relied upon was as follows:

Year	**£**
2015	36,023
2016	21,596
2017	21,071
2018	21,880
2019	19,924
2020	20,360
2021	19,657
2022	25,000

22. Mr Casey states that, during 2018 to 2022, the applicant attended the largest annual audio-visual systems integration show in the world, the Integrated Systems Europe exhibition. He states that the applicant spent over £61,000 exhibiting products at this exhibition, although does not say that this was exclusively in relation to the goods relied upon for section 5(2)(b). Exhibit DC4 comprises a selection of invoices issued to the applicant from PR agencies, media buying agencies and publishing companies for advertising the applicant's products in, for example, The Mirror, The Daily Star, Good Housekeeping, The Times, The Guardian and Tech Radar between June 2017 and September 2022. Exhibit DC5 comprises copies of advertisements which show both earlier marks:

Computer Shopper Magazine, September 2016

T3 Magazine and SVI Magazine, March and September 2016



London Underground, 2014

Daily Star, April 2016

23. Mr Casey states that Exhibit DC6 comprises reviews in third-party publications. I cannot always see reviews alongside images of the goods, but I note that the goods and the marks do appear in dated publications, such as:

Computeractive Magazine, February 2016 & Computer Shopper Magazine, April 2016

Computeractive Magazine, July 2016

Reviews

HEADPHONES | £80 from Novatech www.snipca.com/20839

Lindy BNX-60

Turn down background noise

When a sound wave meets another sound wave that's the opposite shape, they cancel each other out. That's the principle behind noise-cancelling headphones. They use built-in microphones to listen to the sound around you, and a computer chip to generate a sound wave that's the opposite of this, which is played into your ears in addition to whatever you want to listen to.

> With noise reduction turned on it will all become clear

The invention is credited to Amar Bose, whose company makes the popular QuietComfort range. They're expensive at around £250, while Lindy's BNX-60 costs a third of that. These around-the-ear headphones are big (but not overly bulky), well-padded and comfortable to wear. Unlike QuietComforts, they connect via Bluetooth for wireless listening, but a standard 3.5mm jack cable is also provided, along with a 6.3mm adapter for audio equipment that uses the bigger socket, and an airline adapter for the annoying sockets on planes. You can also take calls from your mobile phone.

Small multi-function buttons on the left earcup send commands to your mobile device or computer to skip, pause and adjust the volume setting, but they're quite fiddly to use. We preferred the refreshingly traditional analogue volume wheel on the right. Higher-quality aptX transmission is available for Bluetooth products that support it, although none of Apple's do. There's no instant pairing for devices with NFC – but that's not a particularly important feature.

The rechargeable battery claims to last 15 hours using only Bluetooth, 30 hours using only noise cancelling or 12 hours using both. We used the headphones for several days between charges.

With noise reduction switched off, the BNX-60 sounded good with accurate output of speech and music, although sometimes a little boomy. With noise reduction on, most background sounds disappeared. Keep in mind that only continuous sounds, like train or plane engines, will be successfully cancelled. Volume was noticeably reduced in the mid-range and treble frequencies, making the sound rather muddy, but still clearer than with background noise and no cancellation.

SPECIFICATIONS

Around-the-ear headphones with noise cancellation • Bluetooth with aptX • 3.5mm stereo jack • Mic remote • Detachable audio cable • Travel case • 20-20,000Hz frequency response • One-year warranty

www.snipca.com/20840

VERDICT: For the price, these headphones work well, and we like their plain and comfortable styling. If you don't need noise cancelling, spend the money elsewhere

★★★★☆

ALTERNATIVE: Sony MDR-ZX770BN £97 These also sound good, but audio settings are confusing and you can't switch off noise cancelling when wired

What HiFi Magazine, February and August 2021

ROUND-UP

WHAT HI-FI? ★★★★★

£75

View online review whf.cm/BNX-60

Lindy BNX-60

The headphone market has grown exponentially in recent years and that competition has meant cheaper prices – and products such as the Lindy BNX-60 headphones: a pair of wireless aptX Bluetooth headphones with active noise-

is misplaced – the Lindy BNX-60 headphones deliver a balanced sound that's easy to listen to.

The bubbling bass on Midland's *Bluch* sounds clear and detailed, while the stuttering hi-hats are kept in control to keep the track ticking along nicely. Stepping it up a notch

FIRST TESTS

Noise-cancelling headphones £90 whf.cm/BNX-80

Lindy BNX-80

Decent, well made noise-cancelling wireless on-ears for a fair price

Lindy has blown rather hot and cold with its noise-cancelling on-ear headphones. The company's latest attempt, the Lindy BNX-80, follows the excellent, five-star BNX-60 from some years ago but also, more recently, the rather disappointing and pricier BNX-100 from 2019.

Lindy claims that the BNX-80s take the best from each of these forebears and trump the lot. They will need to go some to do better than the BNX-60, of course, but if they get halfway there, we should have a decent pair of wireless noise-cancellers on our hands (or, rather, head).

KEY FEATURES

On-ear

Noise-cancelling

to the fore in the sonic spectrum. Everything is pretty evenly projected, with perhaps the midrange given a slight forward nudge; that, though, is not a terrible trait in budget headphones.

The midrange is where the human voice lives, after all, so this helps bring vocals to the fore in a nice comfortable listen. Jim Croce's vocal in *I'll Have To*

rather impressive. This technology has improved over the past few years, and we don't feel anywhere near as much the rather odd detached feeling that some headphones in the past have subjected us to.

Indeed, once it has been on for a few seconds, we find ourselves forgetting about the noise-cancelling work going

www.hifiandmusicsource.com

HOME » HIFI REVIEW »

Lindy BNX-80 – HiFi Review

By Simon Wilce. Published on 12 March 2021. 0

Lindy's BNX-80 headphones are a closed-back, noise-cancelling design featuring wireless Bluetooth 5.0 connectivity with support for telephone calls.

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www.thereviewsmiths.com

Lindy LTS-50 (https://thereviewsmiths.com/audio/lindy-lts-50/)

AUDIO (HTTPS://THEREVIEWSMITHS.COM/CATEGORY/AUDIO/) March 3, 2022

Audio 14 (https://thereviewsmiths.com/tag/audio/) earbuds 14 (https://thereviewsmiths.com/tag/earbuds/) exercise 2 (https://thereviewsmiths.com/tag/exercise/) Gym Buddy 1 (https://thereviewsmiths.com/tag/gym-buddy/) Lindy 3 (https://thereviewsmiths.com/tag/lindy/) Lindy LTS-50 1 (https://thereviewsmiths.com/tag/lindy-lts-50/) LTS-50 1 (https://thereviewsmiths.com/tag/lts-50/)

Fan of working out? Always going for runs or looking for the next physical challenge? I'm not. So why is this reviewer asking such things when he should be talking about these earbuds?

Well, the simple reason is that the Lindy LTS-50 earbuds, as well as possessing a decent working battery life of 4 hours with constant Bluetooth connection (16 if you make use of the compact charging case), touch controls for

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The Guardian, 16 March 2019

Lindy BNX-60

RRP: £90 - deals from £80

Truly cheap noise cancelling headphones generally aren't worth using over a standard set of over-ear headphones, but the Lindy BNX-60 are the exception. If you are not familiar with Lindy, they are an Anglo-German company dating back to Mannheim in 1932.

Lindy BNX-60 Photograph: Luke Hickman/Hicky

24. The advertisements and reviews which are dated prior to 29 October 2017 are only relevant to earlier mark (i) for the earlier of the two relevant periods applicable to that mark. They are not relevant for earlier mark (ii) for which the relevant period is 29 October 2017 to 28 October 2022.

25. Exhibit DC7 comprises examples of the applicant's promotional material, such as catalogues and leaflets. They are of limited relevance, either because I cannot see the goods relied upon, or they show earlier mark (ii) but are dated within the earlier of the two relevant periods which is not relevant to earlier mark (ii). In my view, use in relation to mark (i) does not qualify as use in relation to mark (ii) and vice versa. This is because I consider that the square at the beginning of mark (ii) alters the distinctive character of that mark, compared to mark (i). It is not obviously an L with a square inside it but could be perceived as a rectilinear device followed by INDY:

LINDY

LINDY

26. However, little turns on this in relation to proof of use because I find that the applicant has made genuine use of both of its marks in the five year periods which are applicable to each mark. The majority of the invoices show earlier mark (ii) in the later relevant period, which is the only relevant period which is applicable to that mark . The registered mark is for a series of two marks, one of which is not represented in colour, so use of that mark is not limited to colour. In fact, the evidence shows use of mark (ii) either in the red and black first mark in the series or in the second mark of the series which covers all colours. The invoices also show use of earlier mark (i) in the later relevant period. There is use of LINDY Electronics Limited on the invoices. In *Aegon UK Property Fund Limited v The Light Aparthotel LLP*, Mr Daniel Alexander QC, sitting as the Appointed Person, stated that (my emphasis added):[5]

[5] Case BL O/472/11.

“17. ..... unless is it obvious, the proprietor must prove that the use was in relation to the particular goods or services for which the registration is sought to be maintained.

18. In *Céline SARL v. Céline SA*, Case C-17/06 (*Céline*), the Court of Justice gave guidance as to the meaning of “use in relation to” goods for the purpose of the infringement provisions in Article 5(1) of the Directive. Considering a situation where the mark is not physically affixed to the goods, the court said at [23]:

> “…even where the sign is not affixed, there is use “in relation to goods or services” within the meaning of that provision where the third party uses that sign in such a way that a link is established between the sign which constitutes the company, trade or shop name of the third party and the goods marketed or the services provided by the third party.”

19. The General Court has, on more than one occasion, proceeded on the basis that a similar approach applies to the non-use provisions in what is now Article 42 of the European Union Trade Mark Regulation. For example, in *Strategi Group*, Case T-92/091, the General Court said:

> “23. In that regard, the Court of Justice has stated, with regard to Article 5(1) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989, L 40, p. 1), that the purpose of a company, trade or shop name is not, of itself, to distinguish goods or services. The purpose of a company name is to identify a company, whereas the purpose of a trade name or a shop name is to designate a business which is being carried on. Accordingly, where the use of a company name, trade name or shop name is limited to identifying a company or designating a business which is being carried on, such use cannot be considered as being ‘in relation to goods or services’ (*Céline*, paragraph 21).

> 24. Conversely, there is use 'in relation to goods' where a third party affixes the sign constituting his company name, trade name or shop name to the goods which he markets. In addition, even where the sign is not affixed, there is use 'in relation to goods or services' within the meaning of that provision where the third party uses that sign in such a way that a link is established between the sign which constitutes the company, trade or shop name of the third party and the goods marketed or the services provided by the third party (see *Céline*, paragraphs 22 and 23).

27. I consider that the use of the company name LINDY Electronics Limited is genuine use of LINDY. It is clear that LINDY is the dominant and distinctive element of the company name, it is picked out in capital letters, and the other words denote the field of business and the limited nature of the company. LINDY appearing in the company name on invoices is use of earlier mark (i) in relation to the goods.

28. There is also use of www.LINDY.com at the bottom of the invoices. Again, LINDY would be seen as a trade mark in this form, the other elements being standard components of domain names. In *bet365 Group Ltd v EUIPO*, the General Court of the European Union ("GC") considered whether the mark BET 365 had acquired distinctiveness as a result of the use made of www.bet365.com.[6] At paragraph 42, the court said that "…it is not impossible to use the same element as a mark in the context of another use, for example, as all or part of the name of a website." The court went on to say that it depends if the use would be perceived immediately by the relevant public as an indication of the commercial origin of the goods or services as opposed to those of other undertakings. In the present case, LINDY is distinctive, is the only element of the domain name which is not a standard domain name component, and it appears on invoices for the goods. It qualifies as use of earlier mark (i).

29. Apart from the invoices which show use of both earlier marks in both of the relevant periods, there are also invoices showing earlier mark (i) in these acceptable

[6] Case T-304/16.

forms in the earlier of the two relevant periods which are applicable to that mark (paragraph 19, above). Earlier mark (i) appears on the headphones in the T3 magazine and the February 2016 edition of Computeractive magazine during the earlier relevant period, and those images also shows a website address, lindy.co.uk, which is acceptable for the reasons already given. Earlier mark (i) appears in the Computer Shopper magazine and the July 2016 edition of Computeractive magazine images during the earlier relevant period. It appears in the February and August 2021 editions of What HiFi and hifiandmusicsource.com during the later of the two applicable relevant periods. Earlier mark (ii) is shown on the goods (earbuds) in the review on thereviewsmiths.com during the later relevant period. The same article refers to Lindy. The *Guardian* review which falls within the later relevant period refers to Lindy and the mark LINDY is shown on the headphones in that review.

30. The proprietor has criticised the evidence for not showing the marks on the goods themselves. As I set out above, that is not the case. However, even if it were true that the marks do not appear on the goods themselves, section 47(2B)(a) of the Act requires that use is in relation to the goods. I have already referred to *Aegon UK Property Fund Limited v The Light Aparthotel LLP* and the case law therein to illustrate this point. The law cannot mean that trade marks have to be used physically on goods, not least because trade marks do not physically appear on services.[7]

31. The proprietor has also criticised the evidence by submitting that the sum total of the goods listed in the evidence does not amount to a sufficient amount to find genuine use. This is missing the point of the invoices and also ignores the turnover figures given by Mr Casey in relation to the goods relied upon for section 5(2)(b). Mr Casey specifically states that the invoices are "a selection". They are not meant to equal the whole of the turnover for the goods. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each piece of evidence shows use by itself.[8]

[7] Save for section 47(2C)(b) which relates specifically to goods only for export.
[8] *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, General Court of the European Union, Case T-415/09.

32. I find that the level of turnover, whilst not a large amount, is sufficient to find that the marks were put to genuine use within the relevant periods. I am required to determine in relation to which goods the marks have been used and, if that use is not on everything relied upon (in the registered specifications), or a reasonable range of goods within the terms in the specifications, to decide upon a reduced, fair specification represented by the use. In so doing, I am guided by *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors*, in which Mr Justice Carr summed up the law relating to partial revocation as follows:[9]

> "iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].
>
> iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].
>
> v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].
>
> vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular

[9] [2016] EWHC 3103 (Ch).

goods or services covered by the registration. *Maier v Asos Pl*c [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

33. I remind myself that for mark (i) the goods relied upon are *head sets* and, for mark (ii), they are *headsets; headphones; earphones*. Headsets and headphones appear on the invoices; earbuds in thereviewsmiths.com image. I consider that there is clear use in relation to headsets and headphones, and that earphones would be seen as part of the same category of goods by the average consumer. The applicant may rely upon both earlier marks for the goods relied upon in its pleadings.

Section 47(2)

34. Section 47(2)(a) of the Act states:

"47. (2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration."

Section 5(2)(b) of the Act

35. Section 5(2)(b) states:

> "5. (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 of association with the earlier trade mark."

36. Section 5A states:

> "Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only."[10]

37. The following principles for determining whether there is a likelihood of confusion under section 5(2)(b) of the Act are taken from the decisions of the CJEU 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*

[10] This section also applies to the ground raised under section 5(4)(a) of the Act.

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.

The principles

(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

38. The parties' respective goods to be compared are:

Earlier marks	**Contested mark**
(i) Head sets (ii) Headsets; headphones; earphones	Earphones and headphones.

39. In relation to earlier mark (ii), the goods are obviously identical. In relation to earlier mark (i), the applicant has submitted that the parties' goods are similar.[11] Since headsets have the same nature as headphones, perform the same function, are used in the same way by the same users and share the same trade channels they must be highly similar to the point of near-identical. However, I note that the applicant has only submitted that they are similar, so it is not open to me to make a better case for the applicant than it makes for itself. It is incumbent upon to me to make a finding as to the degree of similarity and, as explained, that finding is of high similarity.

[11] Applicant's written submissions dated 20 November 2023.

The average consumer and the purchasing process

40. As the caselaw cited above indicates, it is necessary to decide who the average consumer is for the parties' goods and how they purchase them. "Average consumer" in the context of trade mark law means the "typical consumer."[12] 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 in question: *Lloyd Schuhfabrik Meyer*. The goods are not generally so expensive that they will command a high level of attention. I agree with the proprietor that they can range from relatively inexpensive to expensive; in fact, both parties' evidence shows that their own goods are sold at a low to medium price point. However, whatever the price point, there will be consideration paid to the quality of sound, battery life and comfort when using the goods. I find the level of attention to be at least medium. The goods will be bought from physical and online stores. This means that the purchasing process will be primarily visual, but there may be an aural aspect to the process if advice is sought from a retailer, perhaps in conjunction with trying out the goods in audio testing facilities.

Comparison of marks

50. The marks to be compared are:

Earlier marks	Contested mark
(i) LINDY (ii)  	INDY

[12] *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).

51. *Sabel BV v. Puma AG* 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."

52. 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.

53. Earlier mark (i) and the contested mark consist of a single element in which the overall impression of the marks resides. Earlier mark (ii) comprises a word element and a device, about which I say more below. The word is the larger of the elements and dominates the overall impression of the mark.

54. Earlier mark (i) comprises five letters and the contested mark four letters. The only difference between them visually and aurally is the first letter of the earlier mark. As this will be read and heard first, the difference has more of a visual and aural impact than a difference in the middle or at the end of the marks. The marks are visually and aurally similar to no more than a medium degree.

55. The applicant submits that LINDY and INDY would be seen as gender neutral names. I have never heard of either word as a name. The proprietor submits that the marks are conceptually different. It submits that the applicant's evidence shows that LINDY was derived from the surname of one of its founders, Kurt Lindenberg. Firstly, that is unlikely to be known to the average UK consumer. Secondly, that is not a concept. The proprietor submits:

> "In addition, the Collins English Dictionary defines 'Lindy' as an American English term, a shortened form of 'indy hop' which is an "energetic jitterbug dance". In contrast, the Contested Registration is defined by the Collins English Dictionary as a British English informal term, "short for independence" or as the same as "Indie" which is a term used to refer to "rock or pop music produced by new bands working with small, independent record companies". Accordingly, the Lindy Marks are conceptually dissimilar to the Contested Registration."

56. No copies of dictionary extracts have been provided. Having checked *Collins* myself, I can see that there is a further entry for 'lindy hop' or 'lindy' which is defined as British English for "a lively dance popular in the US in the 1930s." I am unconvinced that the average UK consumer at the relevant date in 2017 would know such a fact. If they did, they are unlikely to arrive at the concept of the dance without the word 'hop'. In my view, LINDY would be perceived by the UK average consumer in 2017 as an invented word.

57. I have also checked *Collins* for 'indy'. The proprietor is correct that it is defined as the British English informal short term for independence and is the same as 'indie'. What Collins does not say under the entry for 'indy' is anything about independent music. That definition appears under a separate search for 'indie'. The proprietor's submission assumes that the average consumer will see INDY and substitute another word, 'indie', to arrive at the concept of independent music. I do not think that is likely. I am unconvinced that, without context, the meaning 'independent' will immediately be perceived; such as, for example, 'indy ref' (for independence referendum). I find that neither earlier mark (i) nor the contested mark have a readily apparent concept.

58. Earlier mark (ii) is a composite mark. I have already made comments about how the mark may be perceived. The correct starting position is to put earlier mark (i) out of my mind and consider what strikes me about earlier mark (ii). I find that it could be seen as a rectilinear device, rather than an L containing a square, and INDY. It could also be seen as LINDY with a square inside the L. For those consumers who see the former, the contested mark is the same as the word element of earlier mark (ii). This makes the marks visually similar to a low to medium level, aurally identical and

conceptually neutral. For those consumers who see a stylised word LINDY, the marks will be visually similar to a low degree, aurally similar to a medium degree and conceptually neutral.

Distinctive character of the earlier marks

59. The assessment as to whether there is a likelihood of confusion includes considering whether the distinctive character of the earlier mark has been enhanced (i.e. more distinctiveness has been acquired) through the use made of it. If a mark has an inherently high, or an enhanced, level of distinctiveness, the likelihood of confusion is increased.[13] I will begin by considering the inherent distinctive character of the earlier marks in relation to the applicant's goods before reminding myself of the use that the applicant has made of its marks. As the marks will be seen as invented words (whether LINDY or a device and INDY), the marks are inherently distinctive to a high degree.

60. Distinctive character is a measure of how strongly the earlier mark identifies the goods or services for which it is registered, determined, according to *Lloyd Schuhfabrik Meyer & Co.*, partly by assessing the proportion of the relevant public which, because of the mark, identify the goods or services as originating from a particular undertaking. At paragraph 23, of its judgment, the CJEU stated:

> "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).

[13] *Sabel BV v Puma AG,* Case C-251/95.

61. Although the earlier marks have been used for several years, the extent of use in terms of turnover is not sufficient to elevate what is already a high level of inherent distinctive character.

Likelihood of confusion

62. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. In this case, the goods are identical and highly similar.

63. Direct confusion occurs where marks are mistaken for one another, flowing from the principle 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 which has been retained in the mind.

64. Earlier mark (i) and the contested mark differ only by one letter and the goods are identical or highly similar. These are points in the applicant's favour, as is the high degree of distinctive character of the earlier mark. Also in the applicant's favour is that there is no concept in either mark counteracting the medium degree of visual and aural similarity.[14] In the proprietor's favour is the fact that the difference appears at the beginning of the marks and the marks are relatively short. Differences in letters in short marks can have proportionately more impact on the average consumer's visual perception of the marks and contribute to reducing the likelihood of confusion.[15] Differences at the beginning can also have more impact than if they appear elsewhere in the mark.[16] I bear in mind that the beginnings of marks does not negate the need for a global comparison to be made.[17] In weighing the various factors, including an at

[14] See *Ruiz-Picasso v OHIM* Case C-361/04, CJEU.
[15] See, for example, the Appointed Persons' decisions *Formula One Licensing BV v Bux & Co Ltd*, case BL O/013/21, and *Yell limited v Yelp! Inc*, case BL O/021/13.
[16] *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, GC.
[17] *Group Lotus Limited v Motus Group (UK) Limited*, Case BL O0668/24, Mr Phillip Johnson, sitting as the Appointed Person, and the case law referred to at paragraph 22.

least medium degree of attention and a predominantly visual purchasing process, it is my view that, on balance, the marks are unlikely to be mis-recalled and confused. I find that there is no likelihood of direct confusion between earlier mark (i) and the contested mark. It would have made no difference to this conclusion had I decided that earlier mark (i) has an enhanced degree of distinctive character; it would have only elevated an already high degree of inherent distinctiveness by a moderate amount.

65. Indirect confusion was explained by Mr Iain Purvis QC, sitting as the Appointed Person, in *Back Beat Inc v L.A. Sugar (UK) Limited*, BL O/375/10:

> "16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when 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).”

66. That the three categories in that case are non-exhaustive was confirmed by the Court of Appeal in *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others*.[18]

67. I cannot see a reason why, if the difference between earlier mark LINDY and INDY is noticed, that the average consumer would nevertheless assume that the additional L means that the contested mark is a sub-brand or brand extension (and vice versa). Changing the first letter of invented words is not a logical brand extension. There is no likelihood of indirect confusion.

68. I also think that the device element in earlier mark (ii) is unlikely to lead to direct confusion. I return to the applicant’s claim that it is well-established that consumers will refer to composite marks by the word alone and the proprietor’s denial of that claim: “[I]t is denied that when consumers consider a mark that includes a logo, they refer to it by the word alone.” I assume that the applicant’s claim is along the lines of ‘words speak louder than devices’, which is a rule of thumb, rather than a rule of law: see *Service-Bund GmbH & Co KG v Rodeojacks Limited*, at paragraph 24.[19] Alternatively, the applicant may have meant that consumers refer orally to composite marks by the word element and the proprietor may have read it that way. That consumers articulate words rather than devices is common sense. In *Société des produits Nestlé SA v OHIM*, the GC stated:[20]

[18] [2021] EWCA Civ 1207
[19] Case BL O/0648/24, Dr Brian Whitehead, sitting as the Appointed Person.
[20] Joined Cases T-5/08 to T-7/08.

> "In that regard, suffice it to state that, as the earlier marks contain no word element, a phonetic comparison between the marks at issue is not relevant. It cannot be argued that there is a phonetic similarity between the marks at issue because the consumer, when describing the marks at issue, would use expressions like 'red mug' and 'coffee beans'. When referring to the marks applied for, the public will cite their word element, but not describe their figurative element."

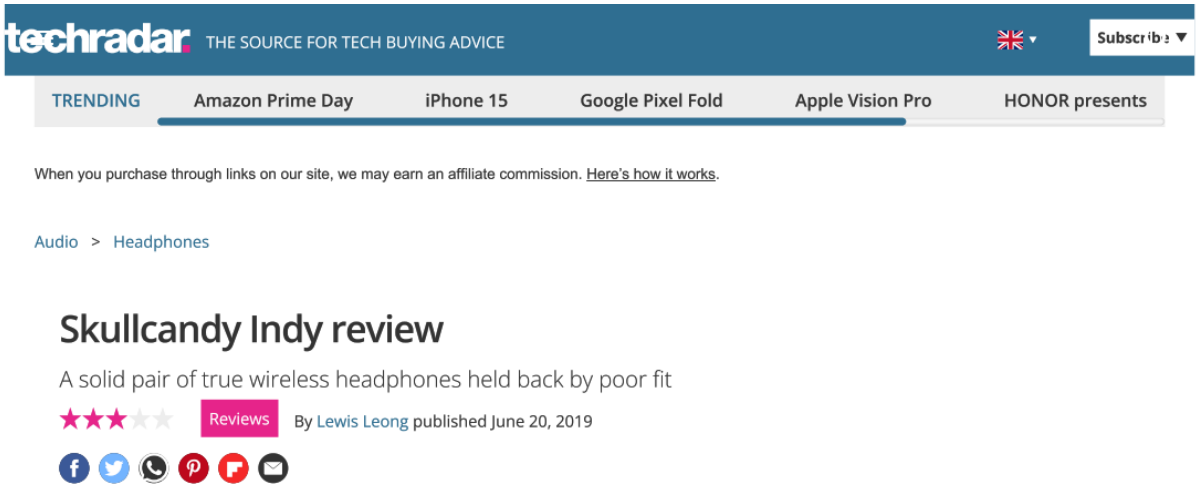
69. To be clear, I have considered the marks as wholes, not simply on the basis of INDY, as I am required to do by the case law set out at paragraphs 37, 51 and 52 of this decision. I found earlier that some consumers will see the mark as a device preceding the word INDY, rather than a L containing a square. This is more pronounced in relation to a mark which is all in the same colour, as notionally covered by the second mark in the series:

70. For that group of consumer, faced with identical goods and an identical dominant and highly distinctive element which has no concept, the assumption will be that the contested mark is a word-only version of earlier mark (ii) (or that the earlier mark is a composite version of the contested mark). There is a likelihood of indirect confusion between earlier mark (ii) and the contested mark.

71. The proprietor argues that its evidence about the use that it has made of its mark shows that no confusion has taken place and that, therefore, there is no likelihood of confusion. Ms Shin states that the proprietor launched its INDY line of earphones and headphones in 2019, although she does not say where. I suspect it was not in the UK because Ms Shin explains that Exhibit CS2 comprises a press release dated 9 March 2019 about the launch "which has been available to view and download" by UK consumers. The press release also begins "PARK CITY, Utah" and is priced in US$.

Simply because something appeared on the internet does not mean that the launch came to the attention of UK consumers, absent other evidence to show that it did.

72. Ms Shin states that INDY goods are sold through the proprietor's website, skullcandy.co.uk. Exhibit CS3 comprises archived prints from the website, via the internet archive, the Wayback Machine. An example, dated 24 June 2020, shows a range of earphones headed INDY SERIES. Exhibit CS4 comprises prints from third-party retailer websites, such as Amazon.co.uk, JD sports, Argos, HMV, Currys, Littlewoods and ebay. In all of the prints, the product listing begins with the word Skullcandy followed by Indy and sometimes another word too, such as Skullcandy Indy True. This is also the case for the prints of third-party product reviews, posts and media content at Exhibit CS8; e.g.



73. Ms Shin states that the UK turnover and unit sales figures for goods offered under the INDY mark are:

Year	Annual turnover	Total units sold
2022*	£685,971.80	59,150
2021	£1,618, 921.18	30,171
2020	£1,665,517.94	39,994
2019	£1,425,432.66	42,746

* to 28 October 2022

74. Website visitor numbers from the UK to skullcandy.co.uk between 2017 and 2020 were in the several hundred thousand, rising to more than a million in 2020. UK visitors to skullcandy.com rose from 4 million in 2017 to over 12 million in 2020. I note that the proprietor's evidence shows that INDY is only one of a number of trade marks featured on its websites.

75. I also note that the pictures of live events which are shown at Exhibit CS7 and which Ms Shin states were sponsored by the proprietor all show 'Skullcandy'. I cannot see INDY (or Indy).

76. Ms Shin submits that the proprietor's evidence shows how widespread the use is and how much exposure it has had with UK consumers. She points out that the proprietor's goods have won awards whilst there is no evidence that the applicant's goods have won any awards. Although it is undeniable that the proprietor's turnover in respect of the goods is higher than the applicant's, these proceedings are not a popularity contest. The applicant has cleared the proof of use hurdle and has the earlier marks.

77. In *Roger Maier and Another v ASOS,* [2015] EWCA Civ 220, Kitchen L.J. stated that:

> "80. .....the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in *Specsavers* at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion. But conversely, the absence of actual confusion despite side by side use may be powerful evidence that they are not sufficiently similar to give rise to a likelihood of confusion. This may not always be so, however. The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur."

78. In *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283 Millett L.J. stated that:

> "Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark."

79. Mr Casey states in his second witness statement that some of the third-party retailers who sell the proprietor's goods are the same as those for the applicant's goods. The proprietor points out that the applicant has not provided evidence about which third-party retailers sell both products. However, the absence of such evidence cuts both ways. If there is no evidence that both parties' products have been sold side by side, it becomes harder for the proprietor to show that the average consumer in the UK is accustomed to distinguishing between the parties' marks (and is, therefore, not confused). In *Samuel Smith Old Brewery (Tadcaster) v. Philip Lee (trading as 'Cropton Brewery')* [2011] EWHC 1879 (Ch), Arnold J (as he then was) said that when considering the weight to be attached to the absence of any evidence of confusion that "… it is relevant to consider what opportunity there has been for confusion to occur and what opportunity there has been for any such confusion to be detected." Even if some customers have been confused, would they a) know they have been confused and b) have complained? In *Red Bull GmbH v Stute Nahrungsmittelwerke GmbH & Co.KG*, Ms Emma Himsworth QC, sitting as the Appointed Person, observed that it is for the party relying on an alleged co-existence to prove that consumers are accustomed to seeing the marks without confusing them.

80. Apart from no evidence of side-by-side trading, there are other reasons why I consider that the proprietor's evidence does not defeat the finding, on a notional basis, of a likelihood of confusion. The first is that the scale of use of the applicant's marks, whilst sufficient for proof of genuine use, is relatively modest: see *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41, at paragraph 22. Where the earlier trade mark is used on a relatively small scale (or unused, or used over a short period of time, or in a different sector of the market), the likelihood of confusion with the later mark is largely untested. In these circumstances, the use and 'reputation' of the later

mark is irrelevant. The second reason is that, apart from the proprietor's own website, all the other use of INDY (or, Indy) is preceded by the longer and distinctive word Skullcandy and, in some cases, a third brand is used, such as Skullcandy Indy True. These are additional distinguishing elements which are absent from the contested mark.[21]

81. Finally, there is the question of the relevant date. The proprietor considers it is the date on which the application for invalidation was filed, 28 October 2022. In *Match Group, LLC & Ors v Muzmatch Ltd & Anor* [2023] EWCA Civ 454, Arnold LJ said:

> "Thirdly, *Budweiser* does not settle the question of the relevant date. That was a case concerning the validity of a registration, and no doubt for that reason it appears that the CJEU was considering the position as at the date on which the marks were registered (2000). Strictly speaking, it is at least arguable that the correct date should be the date on which the later application was filed (1989), but that would not have made any material difference on the facts of that case…."

82. The priority date of the contested mark is 25 August 2017. At that point, the contested mark was unused. Its registration date is 28 December 2017, at which point it was still unused. There was no use until 2019, which is only three years prior to the filing of the invalidation application. Even if I were to take 22 October 2022 as the relevant date, for all the reasons I have set out and over only three years, I do not think that the proprietor's evidence establishes sufficiently that there has been concurrent trade which has had no adverse effect on the function of earlier mark (ii) (i.e. no confusion).

Section 5(2)(b) outcome

83. The section 5(2)(b) ground succeeds on the basis of earlier mark (ii).

[21] I have not taken into account the applicant's submissions that Skullcandy Indy is not an acceptable variant of INDY under section 46(2) because that is not the relevant test, and particularly in light of *Colloseum Holdings AG v Levi Strauss & Co.,* Case C-12/12, CJEU.

Section 5(4)(a)

84. Section 5(4)(a) states:

> "(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-
>
> > (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,
> >
> > (aa) […]
> >
> > (b) […]
>
> A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

85. 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."

86. The three elements which the applicant must show are well known. 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)."

87. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223:

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

88. The applicant relies upon the sign Lindy and goodwill in relation to the goods set out below; particularly highlighting in its pleadings goodwill in relation to headsets, headphones, earphones, information, advice, assistance and support services to retailers of its products:

Apparatus, instruments and devices for recording, reproducing, receiving, transmitting, switching and amplifying sound, images or encoded data; audio apparatus; video apparatus; audio-visual apparatus; audio amplifiers; electrical and electronic components for computers and computer accessories; electrical and electronic apparatus and instruments all for processing, logging, storing, transmitting, retrieval or reception of data; computers; peripheral equipment for computers; programmed-data-carrying electronic circuits; computer programmes, computer software, disc, tapes and wires all being magnetic data carriers; blank and pre-recorded magnetic cards; plasma display panel televisions; liquid crystal display television; television receivers; liquid crystal displays; liquid crystal display projectors; cathode ray tubes; cables, printer

cables, monitor cables, mains cables, optical cables, electric cables; antennae cables; cable ties and clips; connection cable for apparatus for use with computers and connectors; printers, apparatus for use with printers; resistant wires; power supplies apparatus and voltage regulators; adapters; mains multi adapters; adapters for use with telephones, mobile phones and tablet computers; adapters for use with audio and video apparatus; computer network adapters; switches, switch function boxes, sockets; mains extension sockets; testing equipment for audio and video apparatus; converters, splitters; rooters; plugs; hubs; keyboards; modems; bar code and card readers, mice, mouse mats, wrist rest, screen filters; security apparatus for computers; cases adapted for carrying computers or storing disc; storage racks for disc; covers adapted for computers; cameras; microphones, speakers, tweeters, woofers, headsets; headphones; earphones.

89. The prima facie relevant date for this ground is the priority date: 25 August 2017.[22] I do not need to consider the position at the date on which the proprietor commenced use of the contested mark because this ground fails for the reasons explained below.

90. I find that the applicant had a small but protectable goodwill at that date, sufficient to bring the claim in relation to headsets, headphones and earphones. The applicant relies upon a wider set of goods, but its best case is in respect of headsets, headphones and earphones, the exhibits showing only these goods (and they are identical or highly similar). The sign Lindy is distinctive of that goodwill.

91. Although the average consumer test is not strictly the same as the 'substantial number' test, in the light of the Court of Appeal's judgment in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, it seems doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes. This is because they are both normative tests intended to exclude the particularly careless or careful, rather than quantitative assessments.

[22] *Advanced Perimeter Systems Limited v Multisys Computers Limited* [2012] R.P.C. 14, Mr Daniel Alexander QC, sitting as the Appointed Person.

92. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt LJ 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]".

93. The same analysis applies as with regard to the similarity of earlier mark (i) and the goods. Section 5(4)(a) is concerned with misrepresentation causing the customers of the earlier sign to be deceived. For the same reasons as there would be no likelihood of confusion between earlier mark (i) and INDY, a substantial number of the applicant's customers would not be deceived. There do not appear to be any other factors at play which would produce a different outcome under this ground. The section 5(4)(a) ground fails.

Overall outcome

94. The application for a declaration of invalidity is successful. Under section 47(6) of the Act, the contested registration is deemed never to have been made.[23]

Costs

95. The applicant has been successful and is entitled to a contribution towards its costs, based on the scale in Tribunal Practice Notice 2/2016, which is applicable to these proceedings. The costs breakdown is as follows:

[23] Section 47(6) states "Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed."

Statutory fee for the invalidity application	£200
Preparing a statement and considering the counterstatement	£350
Preparing evidence and considering and commenting on the other side's evidence	£1200
Total	£1750

96. I order Skullcandy, Inc. to pay to Lindy Electronics Limited the sum of £1750. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 8th day of August 2024

Judi Pike
For the Registrar