O/0863/25

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3905039

BY HK LINKWORLD INTERNET TECHNOLOGY CO., LIMITED

TO REGISTER:

SUPER MARY

AS A TRADE MARK IN CLASS 34

AND

IN THE MATTER OF THE OPPOSITION THERETO

UNDER NO. 442433 BY

IMIRACLE (HK) LIMITED

BACKGROUND AND PLEADINGS

1. On 26 April 2023, HK LINKWORLD INTERNET TECHNOLOGY CO., LIMITED ("the applicant") applied to register the trade mark shown on the cover of this decision in the United Kingdom in respect of the following goods:

> *Class 34*
>
> *Snuff; snuff boxes; snuff boxes of precious metal; snuff boxes, not of precious metal; cigarette filters; lighters for smokers; flavourings, other than essential oils, for tobacco; absorbent paper for tobacco pipes; Cigar lighters; matches; cigarettes; electronic cigarettes for use as an alternative to traditional cigarettes; electronic cigarettes; flavourings, other than essential oils, for use in electronic cigarettes; electronic cigarette cases; tobacco pipes; electronic cigars; cigarillos; liquid solutions for use in electronic cigarettes; liquid nicotine solutions for electronic cigarettes.*

2. On 9 August 2023, the application was opposed by Imiracle (HK) Limited ("the opponent"). The opposition is based on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act") and concerns all the goods listed above.

3. Under sections 5(2)(b) and 5(3), the applicant relies on International Registration No. 1616521 ("the earlier mark"), which is shown below:

LOST MARY

It was registered on 4 August 2021 and was designated for protection in the United Kingdom on the same day. Protection was granted on 20 January 2022 in respect of the following goods:

> *Class 34*
>
> *Cigarettes; cigarette tips; oral vaporizers for smokers; matches; lighters for smokers; cigarette filters; flavourings, other than essential oils, for tobacco; liquid solutions for use in electronic cigarettes; electronic cigarettes; cigarette cases.*

4. This mark qualifies as an earlier mark under section 6(1)(a) of the Act as the designation date is earlier than the application date of the contested mark ("the

relevant date"). It is not subject to the proof of use provisions in section 6A of the Act as protection was granted less than five years before the relevant date.

5. Under section 5(2)(b), the opponent claims that the marks are similar and that the goods covered by the marks are either identical or similar. In addition, it asserts that the earlier mark enjoys an enhanced degree of distinctive character. Consequently, it claims that there exists a likelihood of confusion on the part of the relevant public in the UK.

6. Under section 5(3), the opponent claims that the earlier mark has acquired a reputation in the UK in respect of the goods listed in paragraph 3 above, and that use without due cause of the contested mark would take unfair advantage of, or be detrimental to, the distinctive character and/or reputation of the earlier mark.

7. Under section 5(4)(a), the opponent claims to have used the following sign ("the earlier sign") throughout the UK since at least January 2022 for *Cigarettes; oral vaporizers for smokers; flavourings, other than essential oils, for tobacco; liquid solutions for use in electronic cigarettes; electronic cigarettes*:

LOST MARY

8. The opponent claims to have acquired goodwill under the sign. According to the opponent, use of the contested marks would constitute a misrepresentation that the applicant's goods are those of the opponent, or are in some way connected to or endorsed by the opponent. Consequently, use of the contested marks would be contrary to the law of passing off.

9. The applicant filed a defence and counterstatement, denying that there is a risk of confusion between the respective marks. In particular, it denies that the marks are confusingly similar and asserts that the word "MARY" has a low degree of inherent distinctiveness in relation to the goods at issue. It has not denied that the goods are identical or similar, but explains the use that has already been made of the contested mark for electronic cigarettes. It contends that through this use it has developed significant goodwill among the public. The applicant put the opponent to proof that the earlier mark had a reputation and had acquired enhanced distinctiveness, and that the

opponent has acquired goodwill as a result of use of the sign shown in paragraph 6 above for the goods listed in that paragraph.

10. In these proceedings, the opponent is represented by Maucher Jenkins and the applicant by Jinxu Jia.

EVIDENCE

11. Only the opponent filed evidence. This comes in the form of a witness statement from Zeyuan Tang, Internal Legal Counsel for Imiracle (ShenZhen) Technology Co., Ltd, a fully owned subsidiary of Imiracle (ShenZhen) Innovation Co., Ltd, which itself is a fully owned subsidiary of Imiracle (HK) Limited, the opponent. He has held this position since 6 June 2023. His witness statement is dated 28 February 2024 and is accompanied by 10 exhibits.

HEARING

12. The opponent requested a hearing, which was held by video link on 22 October 2024. The opponent was represented by Mark Webster of Maucher Jenkins, while the applicant did not attend.

RELEVANCE OF EU LAW

13. 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.

DECISION

Section 5(2)(b)

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

> "A trade mark shall not be registered if because–
>
> …

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

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

15. In considering the opposition under this section, I am guided by the following principles, gleaned from the decisions of the Court of Justice of the European Union ("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 BV* (Case C-342/97), *Marca Mode CV v Adidas AG & Adidas Benelux BV* (Case C-425/98), *Matratzen Concord GmbH v Office for Harmonisation 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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their 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 greater degree of similarity between the marks and vice versa;

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

i) mere association, in the strict sense that the later mark brings 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; and

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

16. It is settled case law that I must make my comparison of the goods on the basis of all relevant factors. These include the nature of the goods, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon*, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. As the General Court ("GC") said in *Boston Scientific Ltd v OHIM*, Case T-325/06, goods and services are complementary when

> "82. … there is a close connection between them in the sense that one is indispensable or important for the use of the other in such a way that

customers may think that the responsibility for those goods lies with the same undertaking."

17. In *Gérard Meric v OHIM*, Case T-133/05, the GC 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."

18. The goods to be compared are shown in the table below:

Contested goods	**Earlier goods**
Class 34 *Snuff; snuff boxes; snuff boxes of precious metal; snuff boxes, not of precious metal; cigarette filters; lighters for smokers; flavourings, other than essential oils, for tobacco; absorbent paper for tobacco pipes; Cigar lighters; matches; cigarettes; electronic cigarettes for use as an alternative to traditional cigarettes; electronic cigarettes; flavourings, other than essential oils, for use in electronic cigarettes; electronic cigarette cases; tobacco pipes; electronic cigars; cigarillos; liquid solutions for use in electronic cigarettes; liquid nicotine solutions for electronic cigarettes.*	*Class 34* *Cigarettes; cigarette tips; oral vaporizers for smokers; matches; lighters for smokers; cigarette filters; flavourings, other than essential oils, for tobacco; liquid solutions for use in electronic cigarettes; electronic cigarettes; cigarette cases.*

19. I have already noted that the applicant has not denied the opponent's claims on identity and similarity of the goods. In *SKYCLUB Trade Mark*, BL O/044/21, Professor Phillip Johnson, sitting as the Appointed Person, held that a counterstatement should clearly set out which grounds were admitted and which were denied, and where the party put the other side to proof. Where grounds were neither denied nor put to proof, they should be deemed to be admitted. While Dr Brian Whitehead, sitting as the Appointed Person, noted at paragraph 22 of his decision in *BEAK Trade Mark*, BL O/0096/25, that it is in principle possible for a party who has made an admission to seek to resile from that admission, I have nothing from the applicant beyond the counterstatement. I must therefore find that the following goods in the application are identical to goods in the opponent's specification: *Flavourings, other than essential oils, for tobacco; matches; cigarettes; electronic cigarettes for use as an alternative to traditional cigarettes; electronic cigarettes; flavourings, other than essential oils, for use in electronic cigarettes; electronic cigarette cases; electronic cigars; liquid solutions for use in electronic cigarettes; liquid nicotine solutions for electronic cigarettes.*

20. The opponent claimed that the remaining goods in the application are similar to its own goods, although it did not specify any degree of similarity. These are: *Snuff; snuff boxes; snuff boxes of precious metal; snuff boxes, not of precious metal; cigarette filters; lighters for smokers; absorbent paper for tobacco pipes; cigar lighters; tobacco pipes; cigarillos.* In his skeleton, Mr Webster submitted that *Cigarette filters* and *Lighters for smokers* were also identical to goods in the opponent's specification and that the applicant's term *Cigar lighters* was *Meric* identical to the opponent's *Lighters for smokers*. As both *Cigarette filters* and *Lighters for smokers* appear in the opponent's specification as well as in that of the applicant, I invited Mr Webster to request an amendment to the pleadings to claim that these terms were identical and indicated that I would accept it. An amended TM7 was filed on 23 October 2024. I find that *Cigarette filters; lighters for smokers; Cigar lighters* are identical to goods covered by the earlier mark.

21. Mr Webster described *Snuff* as *"a type of smokers' tobacco that is made of finely ground or shredded tobacco leaves"*.[1] He submitted that *Snuff* is highly similar to the

[1] Transcript, page 5.

opponent's *Cigarettes*. There is some similarity in physical nature as both goods contain processed tobacco leaves, although a noticeable difference is that cigarettes come in the form of a cylinder of tobacco wrapped in paper, frequently with a filter, while snuff is powdered or pulverised tobacco. I consider that there is likely to be some overlap in trade channels, with both parties' goods being sold by tobacconists and behind the counters of retailers such as supermarkets and convenience stores, and user. The purpose of both goods is the same, namely, to deliver nicotine to the user, although the method of use is different, with snuff being taken through the nose. There may be a degree of competition between the goods, but I do not find them to be complementary. Taking all these factors into account, I find that there is a high degree of similarity between the goods.

22. The next group of contested goods I shall consider comprises *Snuff boxes; snuff boxes of precious metal; snuff boxes not of precious metal*. Mr Webster submitted that these goods are similar to the opponent's *Cigarettes*. He argued that they would be provided by the same undertakings, and sold through the same trade channels to the same consumers and that they are complementary. I have no evidence to indicate that the same undertakings produce both cigarettes and snuff boxes, but I accept that there is likely to be some overlap in trade channel and user. I do not agree that the goods are complementary in the sense explained by the GC in *Boston Scientific* and quoted above. I consider that the goods are similar to a low degree.

23. I turn now to *Absorbent paper for tobacco pipes*. Mr Webster compared these goods to *Cigarettes*. I accept that there is likely to be an overlap in user, as an individual may smoke both cigarettes and a pipe, and in trade channels, as both parties' goods will be available from tobacconists. Their purpose, method of use and physical nature is different. I do not consider that the goods are in competition or complementary. I find that they are similar to a low degree.

24. The next contested goods are *Tobacco pipes* which, again, shall be compared to the opponent's *Cigarettes*. Both goods are used for the purposes of delivering nicotine to the lungs through the burning of tobacco. As I have noted above, I consider that there is likely to be an overlap in user. Both goods are used by placing them in the mouth, although the pipes will need to be filled with tobacco in order to fulfil their intended purpose. The physical nature of the goods is different, as they will be made

from different materials. There are likely to be trade channels in common. There is a degree of competition, although a user will need to buy tobacco as well as the pipe to have a substitute for a cigarette. I consider that the goods are similar to a medium to high degree.

25. The final contested goods are *Cigarillos*. Mr Webster described these as *"short narrow cigars wrapped in tobacco leaves or tobacco-based paper"* and submitted that they were very similar to cigarettes.[2] The goods share the same purpose and are similar in nature, both being cylinders of tobacco wrapped in paper (cigarettes) or paper or tobacco leaves (cigarillos). They also share the same method of use. There is likely to be an overlap in user and some shared trade channels. There is also some competition between them. I do not find them to be complementary. Taking these factors into account, I find that they are highly similar.

Average consumer and the purchasing process

26. The average consumer is deemed to be reasonably well informed and reasonably circumspect: see *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), paragraph 60. For the purposes 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: see *Lloyd Schuhfabrik*, paragraph 26.

27. The average consumer of the parties' goods is an adult member of the general public. In my view, most of the goods will be purchased relatively frequently, although tobacco pipes and snuff boxes are likely to be bought less often. When buying cigarettes, cigars, cigarillos, electronic cigarettes and liquids for electronic cigarettes, the average consumer will pay attention to the nicotine content and the flavour of the product, as well as the price. Although I am aware that some cigars may be expensive, on balance the goods are likely to be of moderate cost. Goods such as absorbent papers for tobacco pipes and matches are low-cost items. There are fewer factors to consider when buying these goods, although the consumer will want to be assured that they are fit for purpose. Mr Webster submitted that the average consumer would pay a medium degree of attention. I agree with this submission.

[2] Transcript, page 6.

28. Under current regulations, tobacco products are not put on display in a retail outlet. The consumer has to ask for the product that they want to purchase. Consequently, the purchasing process for these goods will be largely aural. However, once the purchase has been made, the consumer is likely to see some branding, notwithstanding the visual branding restrictions imposed on cigarettes and other tobacco products. These goods may also be purchased online, in which case the average consumer will see some branding before they buy. Other goods, such as electronic cigarettes, liquids for electronic cigarettes and smokers' articles like lighters and matches, may be self-selected from the shelves, and so the purchasing process will be largely visual. However, there may also be a role for the aural element of the mark, should the consumer seek advice from sales staff.

Comparison of marks

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

> "34. … it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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."

30. Artificial dissection of the marks would therefore be wrong, although it is necessary for me to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

31. The respective marks are shown below:

Contested mark	Earlier mark
SUPER MARY	LOST MARY

32. The earlier mark consists of two words, “LOST” and “MARY”, presented in a stylised typeface. The words play a greater role in the overall impression of the mark than the stylisation. I consider that “lost” is a word that describes “Mary”, and so it is the latter that has a slightly larger role. The applicant submits in its counterstatement that the average consumer is more inclined to focus on the beginning of the mark. The courts have found that this is frequently the case, but they have been careful not to say that it is a general rule. For example, in *Bristol Global Ltd v European Union Intellectual Property Office*, Case T-194/14, the GC found that there was a likelihood of confusion between AEROSTONE and STONE, despite the fact that the beginnings of the marks were different.

33. The contested mark consists of two words, “SUPER” and “MARY”, presented in the same stylised typeface. The first of these words has a laudatory quality, and so I consider that “MARY” makes the greatest contribution to the overall impression of the mark, with a lesser role played by the word “SUPER”. The stylisation also plays a smaller part.

Visual comparison

34. Both marks contain two words, with the second of these being the same. The first words differ only slightly in length, with that of the earlier mark having four letters and that of the contested mark five. The stylisation of the second word is identical and the stylisation of the letters “S” and “R” from “SUPER” that also appear in the earlier mark are identical. Consequently, I find that the marks are visually similar to a medium to high degree.

Aural comparison

35. The earlier mark contains three syllables and the contested mark four. The last two syllables are identical. In both marks, I consider that the words would be pronounced in the usual way. I find the marks aurally similar to a medium degree.

Conceptual comparison

36. The applicant submits that the contested mark is likely to remind the average consumer of the *Super Mario* game series created by Nintendo, featuring a character Mario. It argues that there is conceptual synergy between the contested mark and the name of the game series. In my view, making such a connection requires more thought than the average consumer is likely to give to the matter. I consider it more likely that both marks bring to mind a person called Mary. The contested mark conveys the idea of Mary being super. The concept behind the earlier mark is of a person called Mary who is either geographically or metaphorically lost. I find that the marks are conceptually similar to a medium degree, based on the shared idea of a person called Mary.

Distinctive character of the earlier mark

37. Distinctive character is a measure of how strongly a mark distinguishes the goods of one undertaking from those of others. The factors that I must take into account in assessing the level of distinctive character were set out by the CJEU in *Lloyd Schuhfabrik Meyer*:

> "23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered, the market share held by the mark, how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark, the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking, and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

38. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of the mark can be enhanced by the use that has been made of it.

39. As I have already found, the earlier mark brings to mind a person called Mary who is or feels lost. The applicant argued in its defence that "MARY" had a low degree of inherent distinctive character for the goods at issue. However, it has filed no evidence to show that the word is descriptive or allusive. To my mind, the earlier mark has no descriptive or allusive character. The mark is formed of a fairly common name and a dictionary word. I found that the typeface also made a contribution to the overall impression of the mark. Overall, I consider that it has a slightly higher than medium degree of inherent distinctive character. I shall now consider whether that distinctive character has been enhanced through the use that has been made of the mark.

The opponent's evidence of use

40. Mr Tang states that the opponent has sold vape products under the earlier mark in the UK since March 2022. He describes it as *"a disposable vape kit with a unique bottle shaped design which is available in over 50 different flavours"*.[3] Exhibit ZT1 contains printouts from the opponent's UK website showing the range of flavours available and explaining the features of the product. These are undated. Mr Tang explains that the website was not "crawled" by the Wayback Machine before the filing date so he has been unable to file any printouts from before that date.

41. The vape is sold to the public through links with a number of importers and distributors. Mr Tang says that it does not sell directly to consumers. The primary importer is Green Fun Alliance Limited ("GFA") and Exhibit ZT2 contains a sample of invoices showing sales of vapes bearing the mark from this company to wholesalers and retailers in the UK. The details are shown below:

Date of Invoice	Quantity	Net Amount
15 June 2022	6500	£13,934.98
22 June 2022	1200	£2,520.00
26 July 2022	2000	£5,166.46
22 August 2022	4800	£12,159.54
22 August 2022	6000	£12,603.29

[3] Witness statement, paragraph 3.

42. The invoices amount to a total of 20,500 units at a cost of £46,384.27, covering a period of just over two months.

43. Exhibit ZT3 contains printouts of some of the retailers' websites. These are undated but contain reviews from before the relevant date and a number also contain pictures. As they are small, the details are not always clear, but a review from 1 April 2023 shows the following photo of the mark in use on the vape:[4]

44. Unit sales of the LOST MARY vape to GFA are shown in the table below:[5]

Period	**LOST MARY unit sales**
April 2022	1,269,662
May 2022	4,077,450
June 2022	3,977,700
July 2022	3,848,100
August 2022	5,637,204
September 2022	6,377,933
October 2022	9,235,818
November 2022	5,894,728
December 2022	5,756,804
January 2023	3,209,992
February 2023	826,074
March 2023	2,460,450

[4] Page 37.
[5] Paragraph 6.

Period	LOST MARY unit sales
April 2023	5,975,188
TOTAL	**58,547,103**

45. Exhibit ZT4 contains a stock keeping unit report showing stocks of the LOST MARY vape held by the opponent's remaining UK distributors. These are shown in the table below:

Period	LOST MARY units stocked
May 2022	242,282
June 2022	1,424,313
July 2022	1,538,343
August 2022	2,521,974
September 2022	4,349,600
October 2022	8,351,635
November 2022	11,056,466
December 2022	12,052,496
January 2023	8,646,000
February 2023	3,588,400
March 2023	13,107,654
April 2023	18,671,591
TOTAL	**85,550,754**

46. Mr Tang states that this shows that nearly 60 million units of the LOST MARY vape have been sold to GFA and that over 85 million units have been sold to the opponent's remaining UK distributors. I put it to Mr Webster at the hearing that the figures in the table above related to units stocked and questioned whether it was possible that there might be some double counting, if an individual item were held for more than one month. He thought this might be possible, but added that in his view the sales made through GFA were sufficient to show reputation and enhanced distinctive character.[6]

47. A report from IRI Worldwide shows that the earlier mark had a UK market share of 27.39% and had generated more than £170 million at the relevant date.[7] The report

[6] Transcript, page 10.
[7] Paragraph 9 and Exhibit ZT6.

gives figures for each week and it can be seen that market share rose from 1.35% at 26 June 2022 to between 9% and 20% in the fourth quarter of 2022, between 19% and 33% between 1 January 2023 and 23 April 2023.

48. Mr Tang states that, because of UK legal restrictions imposed on the marketing of these products, it does not carry out any advertising or marketing activities in respect of the earlier mark. However, he notes that the LOST MARY vape has won a number of awards, which are detailed below:

- Disposable Vape of the Year – TECC Awards 2023: Winner
- MIST Vape Awards 2023: Best Disposable Vape (Winner)

49. I note that the mark had been in use in the UK for just over a year by the relevant date of 26 April 2023. However, it is also clear that sales quickly increased to a high level and that the market share grew significantly over that period. I consider that the distinctive character of the earlier mark had been increased to a high degree for *Oral vaporizers for smokers* and *Electronic cigarettes*.

Conclusions on likelihood of confusion

50. Making an assessment of the likelihood of confusion is a matter of considering the relevant factors from the viewpoint of the average consumer of the goods at issue and determining whether they are likely to be confused. When doing this, I am required to bear in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely on the imperfect picture of them that they have in their mind. This means that the global assessment emulates what happens in the mind of the average consumer on encountering the later mark with an imperfect recollection of the earlier mark. The courts have not said what weight should be attached to each of the factors or provided a formula that can be applied to any set of circumstances. However, I am required to take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods or vice versa.

51. There are two types of confusion: direct and indirect. In *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, Mr Iain Purvis QC, sitting as the Appointed Person, explained that:

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

52. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

> "12. This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition.
>
> 13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] 'a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."

53. Earlier in my decision, I found that:

i) the goods are identical or similar to varying degrees (from low to high);

ii) the average consumer is an adult member of the general public who is paying a medium degree of attention;

iii) both visual and aural aspects of the mark will play a role in the purchasing process, with the aural predominating for tobacco products that must be requested and that are not on display to the consumer and the visual predominating for the other goods;

iv) the verbal element makes the greatest contribution to the overall impression of the earlier mark, with the word "MARY" playing a larger role in slightly larger role;

v) the word "MARY" makes the greatest contribution to the overall impression of the contested mark;

vi) the marks are visually similar to a medium to high degree and aurally and conceptually similar to a medium degree; and

vii) the earlier mark has a slightly higher than medium degree of inherent distinctive character, which has been enhanced to a high degree for *Oral vaporizers for smokers* and *Electronic cigarettes*.

54. Where the goods are identical, I consider that it is likely that the average consumer will mistake one mark for the other, bearing in mind my findings above on the role of the word “MARY” in both marks. I have considered whether the conceptual differences between the marks are such that they neutralise the visual and aural similarities. In *Ruiz-Picasso & Ors v OHIM*, Case C-361/04 P, the CJEU stated at paragraph 20 that this might happen where *“the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public”*. I do not consider that the meanings of the marks are so clear and specific in the present case. With imperfect recollection, the average consumer is more likely to remember “MARY” than the first word of either mark. I find a likelihood of direct confusion.

55. I shall now consider the likelihood of direct confusion where the goods are similar and the purchasing process is largely visual. These goods are *Snuff boxes; snuff boxes of precious metal; snuff boxes not of precious metal; Absorbent paper for tobacco pipes; Tobacco pipes.* I found that *Tobacco pipes* were similar to a medium to high degree to *Cigarettes*. Given the medium to high degree of visual similarity between the marks, and the identical element “MARY”, which plays a slightly larger role in the overall impression of the earlier mark and makes the greatest contribution to the overall impression of the contested mark, I consider that the average consumer, who is paying a medium degree of attention and prone to imperfect recollection, will be directly confused. I found that the rest of the goods were similar to a low degree. For these goods, I take the view that the slightly higher than medium degree of inherent distinctive character of the earlier mark plays a role here. Bearing in mind the principles of imperfect recollection and interdependency, I find that there is also a likelihood of direct confusion for these goods. However, if I am wrong in this, I will also consider whether there is a likelihood of indirect confusion.

56. Before doing so, I must complete my assessment of the likelihood of direct confusion. For the applicant's *Snuff* and *Cigarillos*, I found the purchasing process to be predominantly aural. The average consumer will need to ask for the goods, and the different element is articulated first. I take the view that imperfect recollection is less likely to be a factor here. For these goods, the similarity between the marks is, in my view, insufficient to offset the differences, notwithstanding the high degree of similarity between the goods. I find no likelihood of direct confusion.

57. I shall now turn to indirect confusion. As Mr Purvis said, in this type of confusion the average consumer recognises that the marks are different but assumes that there is some economic connection between them. Both marks share the second word and the first word of the contested mark is laudatory. I also note that the typeface used by both marks is identical, and where the goods are purchased visually, this will reinforce any impression of an economic connection. In my view, the average consumer, on encountering the contested mark, would assume that it is another "MARY" mark belonging to the opponent and indicates a range of superior, or larger, products. I consider that this finding applies for all the goods, given that they are all tobacco products, smokers' articles or alternatives to tobacco products.

58. The section 5(2)(b) ground succeeds in its entirety. For completeness, I shall, however, proceed to consider the claims made under sections 5(3) and 5(4)(a) of the Act.

Section 5(3)

59. Section 5(3) of the Act is as follows:

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

60. The relevant case law can be found in the following judgments of the CJEU: *General Motors Corp v Yplon SA* (Case C-375/97), *Intel Corporation Inc v CPM United Kingdom Ltd* (Case C-252/07), *Adidas Salomon AG v Fitnessworld Trading Ltd* (Case C-408/01), *L'Oréal SA & Ors v Bellure & Ors* (Case C-487/07), *Interflora Inc & Anor v Marks and Spencer plc & Anor* (Case C-323/09) and *Environmental Manufacturing LLP v OHIM* (Case C-383/12 P). 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 and/or services, the extent of the overlap between the relevant consumers for those goods and/or 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 that 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) The more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark; *L'Oréal*, paragraph 44.

g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods and/or 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 and/or services for which the earlier mark is registered, or a serious risk that this will happen in the future; *Intel*, paragraphs 76 and 77, and *Environmental Manufacturing*, paragraph 34.

h) 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.

i) 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 on the earlier mark; *L'Oréal*, paragraph 40.

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

Reputation

61. In *General Motors Corp v Yplon SA*, Case C-375/97, the CJEU held that:

"24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on

the product or services marketed, either the public at large or a more specialised public, for example traders in a specific sector.

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

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

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

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

62. In his skeleton, Mr Webster narrowed the claim to reputation to *Oral vaporizers for smokers* and *Liquid solutions for use in electronic cigarettes*. I shall not repeat my summary of the evidence which can be found in [paragraphs 40-47] above. I found that the opponent had shown that the use made of the earlier mark was such as to enhance the distinctive character in relation to *Oral vaporizers for smokers*. The same factors are relevant for an assessment for reputation, and I find that the earlier mark has a strong reputation for these goods. I do not find any evidence for use in relation to *Liquid solutions for use in electronic cigarettes*. I interpret this term to mean liquids that can be used to refill an electronic cigarette. The goods shown in the evidence are all disposable vapes.

Link

63. In assessing whether the public will make the required mental link between the marks, I must take account of all relevant factors, which were identified by the CJEU in *Intel* at paragraph 42 of its judgment. I shall consider each of them in turn.

The degree of similarity between the conflicting marks

64. I have already found that the marks are visually similar to a medium to high degree, and aurally and conceptually similar to a medium degree.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

65. Mr Webster submitted that the parties' goods are identical or highly similar. However, it must be kept in mind that the goods being relied on under this ground are different from those that formed the basis of the comparison under section 5(2)(b). The goods for which a reputation has been found are *Oral vaporizers for smokers*, while the contested goods include cigarettes, cigars, snuff, electronic cigarettes, cigars and solutions for use in them, and smokers' articles. Both parties' goods are aimed at the same section of the public, namely, people who wish to feel the effects of nicotine. The degree of closeness is greater where those goods are electronic cigarettes and cigars, liquid solutions and flavourings for use in those goods, and electronic cigarette cases. I find that these goods are either identical or highly similar to the goods for which the earlier mark has a reputation. The next nearest goods in my view are *Cigarettes* and *Cigarillos*, which would have an overlap in user, trade channels and purpose and be in competition. I find a medium degree of similarity. The rest of the contested goods are smokers' articles, which would have an overlap in user and may be sold through some of the same trade channels. I find that there is a fairly low degree of similarity between these goods and the goods for which the earlier mark has a reputation.

The strength of the earlier mark's reputation

66. As noted above, I find that the earlier mark has a strong reputation for *Oral vaporizers for smokers*.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

67. Under section 5(2)(b), I found that the earlier mark had a high degree of distinctive character for *Oral vaporizers for smokers*.

Whether there is a likelihood of confusion

68. I consider that there is a likelihood of confusion in respect of the goods that are related to electronic cigarettes, namely, *Electronic cigarettes for use as an alternative to traditional cigarettes; electronic cigarettes; flavourings, other than essential oils, for use in electronic cigarettes; electronic cigarette cases; electronic cigars; liquid solutions for use in electronic cigarettes; liquid nicotine solutions for electronic cigarettes* for the same reasons that I set out under section 5(2)(b). It is also my view that there is likely to be confusion if the contested mark were to be used for *Cigarettes* and *Cigarillos*, given the medium degree of similarity between the goods. In my view, the distance between the remaining goods and *Oral vaporizers for smokers* is sufficient for there to be no likelihood of confusion, given the differences between the marks.

Conclusions

69. Where there is a likelihood of confusion, a link may automatically be found. However, I also remind myself that the degree of similarity required for the public to make a link between the marks for the purposes of section 5(3) may be less than the degree of similarity required to create a likelihood of confusion: see *Intra-Presse SAS v OHIM*, Joined cases C-581/13 P and C-582/13 P, paragraph 72. The likelihood of confusion is just one of the factors that I must take into account. I found that the earlier mark had a strong reputation and a high degree of distinctive character. Furthermore, I also found that the marks were visually similar to a medium to high degree and aurally similar to a medium degree. It will also be recalled that I had found that the word "MARY" made the greatest contribution to both marks, and that the applicant had filed no evidence to support its claims that "MARY" was not distinctive in the context of the goods at issue. Weighing all these factors, I find that the relevant public would make a link between the two marks, if the contested mark were used for any of the goods in the specification.

Damage

Unfair advantage

70. Unfair advantage means that consumers are more likely to buy the goods of the contested mark than they would otherwise have been if they had not been reminded of the earlier marks. Where there is a likelihood of confusion, the applicant will benefit from an unfair advantage. Consequently, I find that damage is made out in respect of the following goods: *Cigarettes; electronic cigarettes for use as an alternative to traditional cigarettes; electronic cigarettes; flavourings, other than essential oils for use in electronic cigarettes; electronic cigarette cases; electronic cigars; cigarillos; liquid solutions for use in electronic cigarettes; liquid nicotine solutions for electronic cigarettes.*

71. Unfair advantage can be taken of an earlier mark where there is no likelihood of confusion between it and the later mark. In these circumstances, the unfair advantage is usually the result of the transfer of the image of the earlier mark, or of the characteristics it projects, to the goods or services identified by the later mark.

72. Mr Webster submitted that it was clear that the applicant had copied elements of the earlier mark, including *"the very distinctive typeface used in the earlier mark"*.[8] He also referred to the contents of Exhibit ZT9, which he said showed that the applicant claims to manufacture the opponent's LOST MARY goods.

73. Exhibit ZT9 contains an extract from the database of the Medicines & Healthcare Products Regulatory Agency ("MHRA"), showing that SUPER MARY was first registered with the MHRA on 27 June 2023 by Shenzhen Tablet Electronics Limited. This vape, along with the LOST MARY vape, can be purchased through the Gif Bar website, purported to be operated by ShenZhen Yisha Technology Co. The website claims that ShenZhen Yisha Technology Co is *"one of the leading lost mary manufacturers and suppliers in China"*.[9] Mr Tang states that this is not true, and that

[8] Transcript, page 12.
[9] Exhibit ZT10, page 13.

ShenZhen Yisha Technology Co., Ltd does not manufacture the LOST MARY vape and is not an authorised distributor.[10]

74. I note that Mr Tang does not claim that either ShenZhen Yisha Technology Co., Ltd or Shenzhen Tablet Electronics Limited has any connection with the applicant. The address on the website in the exhibit is not the same as the applicant's address that is on the register. I therefore cannot see that this evidence shows that the applicant claims to manufacture the opponent's LOST MARY goods.

75. However, I do consider that the applicant's adoption of the same typeface and the use of the word "MARY" are more than coincidental. Even where there is no likelihood of confusion, I consider that the applicant would gain an unfair advantage by benefiting from a commercial "leg up", without having to undertake the same investment in creating a product that attracts consumers in a market sector where the ability to advertise and promote an undertaking's goods is restricted. I find that unfair advantage is made out for all the goods for which registration is sought.

76. As the applicant has not shown that it has due cause to use the contested mark, the opposition is successful under section 5(3).

Section 5(4)(a)

77. Section 5(4)(a) of the Act states that:

> "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 or 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 4(A) is met
> >
> > …"

78. Subsection 4(A) is as follows:

[10] Paragraph 13.

> "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."

79. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the "classical trinity" that must be proved in order to reach a finding of passing off at [406]:

> "First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

80. *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 are 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

81. In *Maier & Anor v ASOS plc & Anor* [2015] EWCA Civ 220, Kitchin LJ (as he then was) said:

"165. … Under the English law of passing off, the relevant date for determining whether a claimant has established the necessary reputation or goodwill is the date of the commencement of the conduct complained of

(see, for example, *Cadbury-Schweppes Pty Ltd v The Pub Squash Co Ltd* [1981] RPC 429). The jurisprudence of the General Court and that of OHIM is not entirely clear as to how this should be taken into consideration under Article 8(4) (compare, for example, T-114/07 and T-115/07 *Last Minute Network Ltd* and Case R 784/2010-2 *Sun Capital Partners Inc*). In my judgment the matter should be addressed in the following way. The party opposing the application or the registration must show that, as at the date of application (or the priority date, if earlier), a normal and fair use of the [contested] trade mark would have amounted to passing off. But if the [contested] trade mark has in fact been used from an earlier date then that is a matter which must be taken into account, for the opponent must show that he had the necessary goodwill and reputation to render that use actionable on the date that it began."

82. The applicant makes the following statement relating to use of the earlier mark:

> "Although Super Mary is new brand but became popular all over the world fast, the brand quickly became well-known in the market. There are currently 20 Super Mary brand products with product patents TPD, CE, FCC, RoHs and other certifications, and are sold to more than 20 countries and regions."

83. The applicant does not state that the goods have been sold in the UK. Besides, the print-out from the MHRA website shows that SUPER MARY was first registered on 27 June 2023, which is after the date of application for the contested mark. Therefore, the relevant date for the purposes of assessing goodwill is the date of application, i.e. 26 April 2023.

Goodwill

84. The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at [224]:

> "What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages 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. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates."

85. Mr Webster submitted that the opponent's goodwill was very substantial and referred to the arguments made in respect of the section 5(3) claim. I shall not repeat my analysis of the evidence here but note that I am satisfied that at the relevant date the opponent had a high level of goodwill from its use of the earlier sign for *Oral vaporizers for smokers* and *Electronic cigarettes*, and that the earlier sign was distinctive of that goodwill.

Misrepresentation

86. The relevant test was set out by Morritt LJ in *Neutrogena Corporation & Anor v Golden Limited & Anor* [1996] RPC 473 at [493]:

"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] RPC 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 RPC 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 RPC 97 at page 101."

87. Mr Webster submitted that the consumer encountering the contested mark for the contested goods would expect them to come from the opponent. He argued that the likelihood of misrepresentation would be enhanced by the use of an identical typeface. I agree that there will be misrepresentation in relation to those goods for which I found a likelihood of confusion under section 5(3): see [paragraph 68] above. In making this finding, I acknowledge that the test for misrepresentation is different from that for the likelihood of confusion in that it entails *"deception of a substantial number of members of the public"* rather than *"confusion of the average consumer"*. However, it is unlikely, in the light of the Court of Appeal's decision in *Comic Enterprises Ltd v Twentieth-Century Fox Film Corporation* [2016] EWCA Civ 41, that the difference between the legal tests will produce different outcomes. I believe that to be the case here.

88. The remaining goods are still related to smoking. Given the high level of goodwill enjoyed by the opponent, I am of the view that there will also be misrepresentation if the contested mark were to be used for these goods.

Damage

89. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697, Millett LJ described the requirements for damage in passing off cases at [715]:

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

90. I consider that there is a real likelihood of damage through substitution, with consumers choosing the applicant's goods instead of those of the opponent, as well as the risk of damage to the opponent's goodwill if the opponent's customers purchase goods from the applicant, are dissatisfied with them, and mistakenly believe they are the responsibility of the opponent. The opposition is successful under section 5(4)(a).

OUTCOME

91. The opposition has been successful in its entirety. Subject to any successful appeal, Application No. 3905039 is refused registration.

COSTS

92. The opponent has been successful and is entitled to a contribution towards the costs of these proceedings. In the circumstances, I make the following award, in line with the scale set out in Tribunal Practice Notice No. 1/2023:

> *£400 for preparing and filing the TM7 and considering the opponent's TM8;*
> *£700 for preparing evidence;*
> *£800 for preparing and attending a hearing;*
> *£200 for the official fee for filing the TM7.*
> ***£2100 in total.***

93. I therefore order HK LINKWORLD INTERNET TECHNOLOGY CO., LIMITED to pay Imiracle (HK) Limited the sum of £2100. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 19th day of September 2025

Clare Boucher
For the Registrar,
Comptroller-General