O-0944-24

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION NO. UK00003835114

IN THE NAME OF THE BEARDED ALCHEMIST LTD FOR THE FOLLOWING TRADE MARK:

The Bearded Alchemist

IN CLASS 3

AND

IN THE MATTER OF AN OPPOSITION THERETO UNDER NO. 438642

BY GROUP FOURTEEN IP PTY LTD

Background and Pleadings

1. On 1 October 2022, The Bearded Alchemist Ltd ("the applicant") applied to register 'The Bearded Alchemist' as a trade mark in the United Kingdom. The trade mark was published for opposition purposes on 14 October 2022. Registration is sought for the following goods in class 3[1]:

Men's moustache and beard styling cosmetics including moustache wax, beard oil, beard balm and beard butter.

2. On 16 January 2023, GROUP Fourteen IP Pty Ltd ("the opponent") filed an opposition against the mark, in its entirety, under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("The Act"). For the purpose of the opposition, the opponent relies upon the following trade mark and the goods laid out below for which it is registered:

United Kingdom Trade Mark ("UKTM") 801130921:

GROWN ALCHEMIST

Filing date: 16 July 2012
Registration date: 20 August 2013
Priority date: 22 June 2012 (Australia)

Class 3: Cosmetics and skin care products, cosmetics of all types, including foundation, concealer, mascara, eye shadow, eye and/or brow liners, lipstick, lip liner, lip balm, face powder, bronzer, blusher, moisturisers, make-up remover; non-medicated body powder; skin soaps; bath gel, bath oils, bath salts, bath beads, and bath fizzies; non-medicated skin care preparations, including lotions, creams, cleansers, scrubs, masks and toners; hair care and hair styling preparations, including

[1] The applicant originally sought protection for a wider range of goods but subsequently reduced its specification by way of filing a Form TM21B on 3 January 2023

shampoos, conditioners, finishing spray, and gels; personal deodorants, sun-tanning preparations; sunscreen oils and lotions; shaving preparations; dentifrices; perfumes, eau de toilette, essential oils for personal use, perfume oils; nail care preparations; nail enamel; pumice stone, cotton sticks and wool swabs for non-medical purposes all for use on the body; scented room fragrances, incense sticks, potpourri and sachets; powdered cosmetic tissues; tissues impregnated with lotions; kits and gift sets containing skin and/or hair care preparations, all the aforesaid goods being goods included in this class.

3. On 1 January 2021, international trade mark registrations protected in the EU under the Madrid Protocol ceased to be valid in the UK. To address this, on 1 January 2021 comparable trade marks (IR) were created in relation to each international (EU) trade mark designation which had protected status immediately before 1 January 2021. Each new UK right is to be treated as if applied for and registered under UK law, and may be challenged, assigned, licensed or renewed separately from the original international registration.

4. In its Notice of Opposition, the opponent claims that the similarity between the parties' trade marks and the identity or similarity between the respective goods gives rise to a likelihood of confusion, including a likelihood of association, on the part of the relevant public. It further submits that use of the opposed mark would take unfair advantage of, and/or be detrimental to, the reputation the earlier mark enjoys.

5. In its counterstatement, the applicant denies the grounds under both sections of the Act and puts the opponent to proof in respect of all goods it wishes to rely upon.

6. The opponent is represented by Potter Clarkson LLP whilst the applicant is unrepresented. Both parties filed evidence during the course of the proceedings. Neither party requested a hearing, though both elected instead to file written submissions in lieu. This decision is taken following a careful perusal of the papers.

Relevance of EU law

7. 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.

Preliminary matter

8. In its counterstatement, the applicant submits as follows:

> "12. Our application to register "The Bearded Alchemist" trademark was made, an application was filed, and the mark was examined for registrability.
>
> a. The trade marks registrar did not reject the application on the grounds of any relative grounds for refusal despite there being previous trade marks with the words Alchemist within, stating "I am not refusing to accept your application because of the earlier trade marks."
>
> …
>
> "21. The registrar did not refuse the grounds for registration based on the relative grounds for refusal despite there being previous and co existing trade marks using the word alchemist."

9. I can address this point fairly briefly. As per 'The Trade Marks (Relative Grounds) Order' of 2007, the registry no longer refuses "to register a trade mark on a ground mentioned in section 5 of the Trade Marks Act 1994 (relative grounds for refusal)

unless objection on that ground is raised in opposition proceedings by the proprietor of the earlier trade mark or other earlier right." Paragraph 4 of the same order sets out that "The registrar may, in connection with an examination under section 37(1) [of The Act], carry out a search of earlier trade marks for the purpose of notifying the applicant and other persons about the existence of earlier trade marks that might be relevant to the proposed registration." As the above makes clear, the fact that the registry did not object to the registration of the applicant's mark on the basis of a potential conflict with any existing trade marks on the register (including the opponent's) does not mean that the registration of the contested mark is unobjectionable under relative grounds such as section 5(2)(b).

Evidence

10. The opponent's evidence comprises a witness statement from Mr Ingo Karl Dauer dated 25 September 2023 and supporting exhibits IDK1 – IDK14[2]. Mr Dauer has acted as the opponent's legal representative since 2022.

11. I take the following from the opponent's evidence:

-The opponent's GROWN ALCHEMIST brand was founded in Australia in 2008. It offers a variety of cosmetic products including skin care, body care, hand care and haircare preparations as well as nutricosmetics. Its products use natural active ingredients and innovative formulas which Mr Dauer submits "have placed the brand at the forefront of effective anti-aging technology in the beauty sector."

-Its UK website offers goods including day creams, cleansers, serums and exfoliants.

-Its products are sold internationally and are available to purchase online, via both the opponent's website and websites of its stockists, and in the physical stores of various retailers.

[2] Exhibits IDK7 and IDK8 are subject to a confidentiality order issued on 19 November 2023.

-Stockists of the opponent's GROWN ALCHEMIST goods include UK retailers such as Boots and Selfridges and the goods are also available to purchase online via the UK websites of, for example, Amazon, Sephora, Harrods and John Lewis.

-Turnover figures generated by sales of goods under the GROWN ALCHEMIST in the UK between 2018 and 2023 stand as follows:

[3]

-Grown Alchemist goods have been featured in publications such as Forbes, Grazia and Cosmopolitan during the relevant period. Mr Dauer also encloses a number of publications or articles which, he submits, are "directed towards men"[4].

-The acquisition of a majority stake in Group Fourteen (and GROWN ALCHEMIST) in 2022 by L'Occitane Group was reported by a number of publications.

-The opponent's GROWN ALCHEMIST goods are also utilised in UK spas such as Nobu Hotel London Portman Square and The Lowry Hotel in Manchester.

-Mr Dauer directs me to a number of accolades awarded to the opponent. These include "Best Hand Cream" at the Woman & Home Beauty Awards of 2021 and the "Best Hand Cream" category at the Marie Claire Beauty Awards in the same year. It was highly commended in the "Best Face Mist" category at the Marie Claire Beauty Awards in 2021 and an article in the Independent in 2021 describes a GROWN ALCHEMIST hand cream as the "best for hands and cuticles".

12. I enclose a sample of the opponent's exhibits below:

[4] *www.mrporter.com/en-gb/* or *www.gqmagazine.co.uk*, for example

GRAZIA

The Best Aloe Vera Skincare Products That Are Trending Thanks To TikTok

Aloe vera's having a moment. Here's why...

6 of 8

Grown Alchemist Hydra-Repair Day Cream, £31

Packed with nourishing ingredients along with (you guessed it) Aloe Vera, this non-greasy facial moisturiser noticeably improves skin hydration levels, without leaving residual oil or shine on the skin. It's also perfect as a primer - win win.

Grazia Online
14th August 2021
Hydra Restore Moisturiser

On my radar... reef-friendly SPF, luxe washes, and hair care

Reef encounters Tons of sunscreen is deposited in oceans annually, contributing to coral damage. This hydrating SPF, however, is 100% reef safe. *Grown Alchemist Natural Hydrating Sunscreen SPF 30, £33, grownalchemist.com*

Pure indulgence There are body washes and then there are rosemary, spearmint and eucalyptus-scented cleansers that turn every shower into an event. This is the latter. *Neom Super Shower Power Body Cleanser, £26, neomorganics.com*

Curl power Shampoo bars traditionally dehydrate curly hair. Not this. The inclusion of hydrating avocado and kukui nut oils helps this sulphate-free bar buck the trend. *Only Curls Curl Cleansing Shampoo Bar, £12, onlycurls.com*

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The Guardian
22nd August 2021
Natural Hydrating Sunscreen SPF 30

Forthcoming Coverage

Publication	Month	Product
Hello	September	Hair Complex
The Metro	September	Nutricosmetics
Press Association	September	Anti Bacterial Hand Cream
Sunday Times Style	September	Instant Smoothing Serum
Hello	September	Anti Bacterial Hand Cream
Northern Life Magazine	September	Anti Bacterial Hand Cream
GQ Online	September	Hydra Mist
GQ Online	September	Detox Shampoo & Conditioner
Byrdie	September	Nutricosmetics
The Glossary	August	Face Oil
Country and Townhouse	August	Anti Pollution Mist

OX Magazine	August	Natural Sunscreen SPF 30
Waterfront Magazine	September	Body Cleanser
Good Housekeeping	October	Anti Bacterial Hand Cream
Welsh Country Living	September	Anti Bacterial Hand Cream
Country & Townhouse	September	Hydra Face Mist
Elle Magazine	October	Hair Complex
Red	November	Twinset
Aspect County Magazine	November	Twinset

Partnerships

Look Fantastic

GA confirmed that they would like to include the Gentle Gel Facial Cleanser, Detox Serum, Instant Smoothing Serum, Hydra Repair Day Cream and Anti Pollution Primer for the Look Fantastic Influencer Gifting. RW provided names and addresses as suggested by Look Fantastic. GA prepared and sent the gifts directly from the warehouse.

Kip Hideaways

GA agreed to provide product to the Founders of UK Travel company Kip Hideaways for bespoke photography for their Website and Social Media. Ga agreed to arrange an exclusive 20% discount for Kip Hideaway members. In return Kip Hideaways will feature a full page on Kip Hideaways website, 1-2 newsletter features and social media promotion.

Bodyism

GA agreed to becoming the skincare partner for private members/VIP gym Bodyism. GA agreed to an initial 6 months trial partnership and will provide complimentary products for their dressing rooms. GA sent 6 months worth of product which was received safely. RW will share the newsletter and social media in due course.

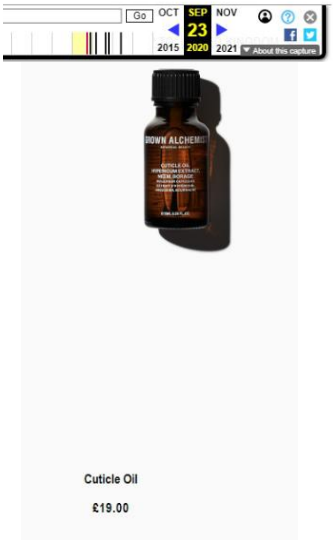
Urban Retreat

RW in conversation with celebrity Make-up artist Lan Nguyen who would like to use the Grown Alchemist Eye Make-up Remover on the make-up stations in her newly created Make-up Studio 1 within the Beauty and Wellness destination, Urban Retreat.

New Product Launches

GA shared Holiday gift photography. RW will share with press for all relevant Christmas gift guides.
RW shared suggestions with GA regarding the Nutricosmetics launch in September
RW requested press samples of the Nutricosmetics once available

Woman & Home
October 2021
Anti Bacterial Hand Cream
Circulation 248,766



[5] August 2021 Activity Report

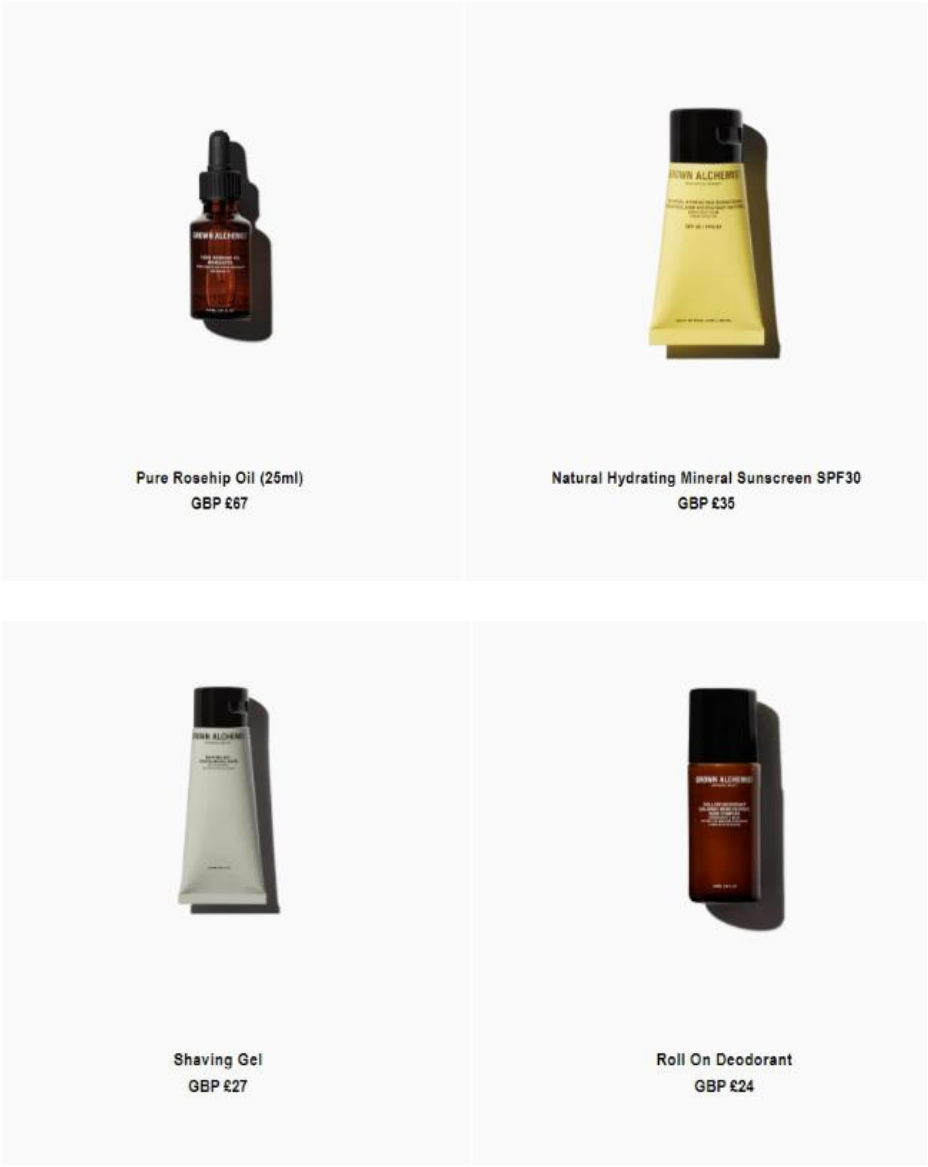
Hello!
September 2021
Hair Complex
Circulation 166,173

Kip Hideaways
Boutique Travel Operator
September 2021
Instagram 70K

Tania Grier
Make-up Artist
February 2022
Instagram 5K

The Observer
March 2022
Roll On Deodorant
Circulation 163,449

Heat
April 2022
Hair Complex
Circulation 71,863



The applicant's evidence

13. The applicant's evidence comprises a witness statement from its director, Mr Richard Panaretou, and exhibits P1 – P3. Mr Panaretou's statement is dated 20th November 2023.

14. Mr Panaretou submits that the opponent "offer for sale only ladies cosmetics as indicated by their exhibit, there are no cosmetics for men and they do not sell beard oil or moustache wax or anything similar."

15. At Exhibit P1, Mr Panaretou encloses an extract from the UK trade mark register showing 329 trade marks using the word ALCHEMIST. At Exhibit P2 is an extract showing that there are 39 trade marks using the word ALCHEMIST with goods proper to class 3. These extracts go to the applicant's submission that "Grown Alchemist do not have rights over the word Alchemist" and that "Grown Alchemist wishes to use the trademark process as an abuse of process to attempt to stop any business that uses the word Alchemist." At Exhibit P3 Mr Panaretou reproduces the applicant's counterstatement.

State of the register

16. I intend to briefly address the applicant's comments concerning the state of the register. Whilst the comments are noted, I should make clear that the existence of such marks on the register will not have any bearing on the outcome of these proceedings. In *Zero Industry Srl v OHIM*[6], the General Court ("GC") stated that:

> "73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word 'zero', it should be pointed out that the Opposition Division found, in that regard, that '…there are no indications as to how many of such trade marks are effectively used in the market'. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T 135/04 *GfK v OHIM – BUS(Online Bus)* [2005] ECR II 4865, paragraph 68, and

[6] Case T-400/06

Case T 29/04 *Castellblanch v OHIM – Champagne Roederer* (CRISTAL CASTELLBLANCH) [2005] ECR II 5309, paragraph 71). “

17. In light of the above, and given that I have no evidence showing the use of such trade marks in the marketplace, that line of reasoning will play no part in my considerations as to whether there exists a likelihood of confusion.

Proof of use

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

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

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

(aa) a comparable trade mark (EU) or a trade mark registered pursuant to an application made under paragraph 25 of Schedule 2A which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired;

(ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or protected

international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired.

[…]

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

19. Section 6A is also relevant. It reads:

"(1) This section applies where

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (aa) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

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

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) 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.

(5)-(5A) [Repealed]

(6) 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."

20. Section 100 of the Act reads as follows:

"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."

21. As the opponent's mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

> "7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.
>
> (2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—
>
> (a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and
>
> (b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.
>
> (3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —
>
> (a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM ; and
>
> (b) the references in section 6A to the United Kingdom include the European Union".

22. The opponent's trade mark clearly qualifies as an earlier mark under the above provisions. As the mark had completed its registration procedure more than five years prior to the filing date of the contested application, it is consequently subject to the proof of use provisions set out in section 6A of the Act.

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

“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 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 I9223, 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 subcategory 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]."

24. Proven use of a mark which fails to establish that "the commercial exploitation of the mark is real"[7] because the use would not be "viewed as warranted in the economic sector concerned to maintain or create a share in the mark for the goods or services protected by the mark" is, therefore, not genuine use.

25. The burden is on the opponent to show that the earlier mark has been used within the relevant territory of the European Union (including the UK) within the relevant time frame of 2 October 2017 – 1 October 2022. Up to 31 December 2020 the relevant territory for the purpose of an assessment is the EU at large (including the UK). Thereafter, only use within the UK is relevant. The opponent must show that the use made of its mark is genuine and that it has been made in respect of the goods relied upon.

26. Whilst I do not have an insight toward the size of the market pertaining to the goods at issue, nor the opponent's share of the relevant market, it has nonetheless produced a comprehensive selection of exhibits which clearly show that it has put its earlier mark to use throughout the relevant period. The opponent's GROWN ALCHEMIST goods are available to purchase from a number of nationwide retailers both in-store and online, as well as from its own website, with various captures of its webpage during the relevant period available to view in extracts from The Wayback Machine. Its goods have featured in a number of high-profile publications which enjoy a significant readership and the extracts from the opponent's marketing reports show a concerted

[7] *Jumpman* BL O/222/16

and ongoing effort to liaise with a multitude of third parties and heighten public awareness of its products. [redacted][8]. The opponent also engages in partnerships with what it describes as "various luxury UK spas" which make use of the opponent's goods in the administered treatments. Taking all of this into account, I am satisfied that the opponent has put the earlier mark to genuine use during the relevant period.

27. I must now consider whether, or the extent to which, the evidence shows use of the earlier mark in relation to the goods relied upon, as laid out at paragraph 2. As for devising a fair specification, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*[9], Mr Geoffrey Hobbs Q.C. (as he then was), as the Appointed Person, summed up the law as being:

> "In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

28. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors [2016] EWHC 3103 (Ch),* Mr Justice Carr summed up the law relating to partial revocation as follows:

[8] I take into account that the relevant period ceases in October of 2022 so a proportion of this figure could relate to transactions outside of this.
[9] BL O/345/10

“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 goods or services covered by the registration. *Maier v Asos Plc* [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.”

29. I keep in mind that it is not for the opponent to show use of each individual term relied upon; instead I must consider how the average consumer would describe or refer to the opponent's goods. To my mind, the opponent has shown use in respect of a variety of haircare and skincare products and other goods which would likely be described as 'cosmetics'. That being said, as a term, cosmetics is likely broad enough to include goods such as makeup which are typically used to beautify whereas the goods featured in the opponent's evidence seem, generally speaking, to primarily concern an enhancement of quality (of the consumer's skin, for example) rather than serving a temporary aesthetic purpose. For that reason, it does not seem appropriate for the opponent to retain 'cosmetics' at large but rather those terms which are predominantly concerned with haircare or skincare, for example, or for which the evidence explicitly shows use. On that basis, and weighing the case law against the evidence presented by the opponent, I find it appropriate for the opponent to retain, and rely upon, the following goods:

> *Skin care products; moisturisers, make-up remover; non-medicated skin care preparations, including lotions, creams, cleansers, scrubs, masks and toners; hair care and hair styling preparations, including shampoos, conditioners, finishing spray, and gels; personal deodorants, sun-tanning preparations; sunscreen oils and lotions; shaving preparations; essential oils for personal use, perfume oils; nail care preparations; nail enamel; kits and gift sets containing skin and/or hair care preparations, all the aforesaid goods being goods included in this class.*

30. For completeness, in response to the applicant's submission in which it suggests that the opponent's goods do not target men, I see nothing in the opponent's evidence to suggest that its goods are limited in such a way[10] and therefore do not find it appropriate to consider limiting the retained specification in such a way.

Decision

[10] See, for example, an article in Red Magazine in December 2021 showing a collated gift guide "For Him" featuring a hand care twinset of the opponent's.

31. Section 5(2)(b) of the Act states that:

> "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."

Section 5(2)(b) - Case law

32. The following principles are gleaned from the decisions of the courts of the *European Union in Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

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 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;

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

Comparison of goods

33. The goods to be compared are displayed in the table below:

Opponent's goods	Applicant's goods
Skin care products; moisturisers, make-up remover; non-medicated skin care preparations, including lotions, creams, cleansers, scrubs, masks and toners; hair care and hair styling preparations, including shampoos, conditioners, finishing spray, and gels; personal deodorants, sun-tanning preparations; sunscreen oils and lotions; shaving preparations; essential oils for personal use, perfume oils; nail care preparations; nail enamel; kits and gift sets containing skin and/or hair care preparations, all the aforesaid goods being goods included in this class.	*Men's moustache and beard styling cosmetics including moustache wax, beard oil, beard balm and beard butter.*

34. In *Gérard Meric v Office for Harmonisation in the Internal Market*[11], 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 fur 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".

[11] Case T- 133/05

35. On the above basis, given that the applicant's goods concern the care of the consumer's facial hair, in my view they could consequently be encompassed by the opponent's *hair care* and *hair styling preparations* and therefore deemed identical. However, if I am incorrect in that finding, I will go on to consider the degree of similarity between the respective goods.

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

> (a) The respective uses of the respective goods or services;
>
> (b) The respective users of the respective goods or services;
>
> (c) The physical nature of the goods or acts of service;
>
> (d) The respective trade channels through which the goods or services reach the market;
>
> (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
>
> (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

37. I consider the applicant's goods against, in particular, the *opponent's hair care* and *hair styling preparations* and *shaving preparations*. Even where the goods' immediate uses are distinct, there is somewhat of a similarity in their use nonetheless; to care for

or alter the user's hair or facial hair. The users are likely to be shared and there may be some similarity in the goods' physical properties, though I accept that each will feature a unique combination of ingredients. The trade channels are likely to be shared and, to my knowledge, there could be some proximity in where the goods are positioned on the shelves of a relevant retail establishment. The goods may also be considered complementary to the extent that it would not be unusual for the average consumer to expect them to originate from a shared undertaking. The goods share a similar use but will not necessarily be competitive. Still, weighing all considerations, I find a high degree of similarity (if the goods are not to be deemed identical).

The average consumer and the nature of the purchasing act

38. 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. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*[12], Birss J. described the average consumer in these terms:

> "60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

39. The average consumer of the goods at issue here is likely to be a member of the general public. Members of the general public will generally self-select the goods from the shelves of a traditional retail establishment, such as a supermarket or pharmacy,

[12] [2014] EWHC 439 (Ch)

or an online equivalent. This method of purchase suggests that the marks' visual weight is the greatest, though I do not overlook the marks' aural impact as the consumer may seek advice from a retail assistant, for example. The goods are typically inexpensive and purchased fairly frequently, with the consumer alive to factors such as quality and ingredients. On balance, I find the average consumer is likely to apply between a low and medium degree of attention to its selection of the relevant goods.

Comparison of trade marks

40. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union ("CJEU") stated in *Bimbo SA v OHIM*[13], that:

> "34. ...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."

41. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary 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 they create.

[13] Case C-591/12P

42. The trade marks to be compared are displayed in the table below:

Opponent's mark	Applicant's mark
GROWN ALCHEMIST	**The Bearded Alchemist**

43. The opponent's mark comprises two words of five and nine letters respectively, with neither word likely to be viewed as more dominant than the other. Instead, the mark's overall impression resides in the combination of the two words it comprises.

44. The applicant's mark comprises three words of three, seven and nine letters respectively. The word 'The' plays a lesser role in the marks' overall impression on account of its nature and, though I accept that the mark's 'Bearded' element has somewhat of a relationship to the goods applied for, generally speaking the mark's overall impression resides in the combination of all words within it.

45. Visually, the marks clearly coincide in their final word, which is identical (ALCHEMIST). There is little similarity in the marks' preceding words and, in the opponent's mark, ALECHMIST is preceded by one word and in the applicant's it is preceded by two. Bearing those factors in mind, and given where the marks' identical element is positioned[14], I find a fairly low degree of visual similarity between the marks.

46. Aurally, the earlier mark is likely to be articulated in four syllables; GROWN-AL-CEH-MIST. The opponent's mark will likely be articulated in six syllables; THE-BEER-DID-AL-CEH-MIST. The lengths of the marks differ by two syllables. The marks' final three syllables are identical but I find little similarity in the preceding syllables. Again,

[14] See, for example, *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

keeping in mind where those identical elements are positioned, I find the aural similarity is of no more than a medium degree.

47. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer[15]. The earlier mark comprises two words which are likely to be readily understood by the average consumer though, when put together, they create somewhat of an unusual concept. GROWN will be understood as a way to describe something which has grown or expanded in some way, having been developed or nurtured to some extent. ALCHEMIST will be understood as a description of a person who practices alchemy which, broadly speaking, will likely be associated with acts of magic or chemistry. Together, the words are likely to convey a concept of an individual who has possibly been raised as, or grown up as, an alchemist and has somehow fostered their skills in that area. The applicant's mark will likely be understood as an alchemist who physically boasts a beard. The marks clearly share a depiction of an alchemist, though the earlier mark points toward an alchemist which has been reared to some extent whereas the later mark highlights a physical characteristic. On balance, I find the conceptual similarity is of at least a medium degree.

Distinctive character of the earlier trade mark

48. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*[16], the CJEU stated that:

> "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall

[15] *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R 29
[16] Case C-342/97

assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

49. 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)."

50. Registered trade marks possess varying degrees of inherent distinctive character. These range from the very low, such as those which are suggestive or allusive of the goods or services for which they are registered, to those with high inherent distinctive character, such as invented words. Dictionary words which do not allude to the goods or services will typically fall somewhere in the middle. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; generally, the more distinctive the earlier mark, the greater the likelihood of confusion. The distinctive character of a mark may be enhanced as a result of it having been used in the market.

51. I begin with the earlier mark's inherent position. I have found above that the concept the mark conveys is somewhat unusual. I do not consider it descriptive nor particularly allusive, though I have considered whether, when considered against the goods relied upon, it could be vaguely suggestive of ingredients or formulas which

have been created by an alchemist and consequently possess somewhat ‘magical’ tendencies. I find this something of a stretch, however, and generally an alchemist, as an individual, has no clear association to the relied upon goods. Still, the mark comprises ordinary dictionary words which will be readily understood by the average consumer. Weighing all factors, I find the earlier mark is inherently distinctive to at least a medium degree.

52. As for whether the distinctiveness of the earlier mark has been enhanced through use, I revisit my earlier considerations of the opponent’s evidence. The opponent has made a considerable effort in promoting the goods sold under the earlier mark in the UK, through a variety of channels, [redacted] The opponent’s goods have featured in an array of publications available to the UK consumer, throughout the relevant period, some of which enjoy a significant readership, and the goods are available to purchase from a number of reputable UK retailers. Weighing all considerations, I am satisfied that the distinctiveness of the earlier mark has been enhanced by virtue of its use to a degree between medium and high (but not at the highest level).

Likelihood of confusion

53. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent’s trade mark, as the more distinctive it is, the greater the likelihood of confusion.

54. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods down to the responsible undertakings being the same or related.

55. I take note of the comments made by Mr Iain Purvis Q.C., as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*[17], where he explained that:

> "16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark."
>
> 17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:
>
> (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('26 RED TESCO' would no doubt be such a case).

[17] Case BL O/375/10

(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)".

56. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors*[18], Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria*[19], where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

57. To make the assessment, I must adopt the global approach advocated by the case law whilst taking account of my earlier conclusions. I also bear in mind that the average consumer rarely has the chance to make direct comparisons between trade marks and, instead, must rely upon the imperfect picture of them retained in its mind.

58. In *Bristol Global Co Ltd v EUIPO*[20], the GC held that there was a likelihood of confusion between AEROSTONE (slightly stylised) and STONE if both marks were used by different undertakings in relation to identical goods (land vehicles and automobile tyres), despite the fact that the beginnings of the marks were different. The common element – STONE – was sufficient to create the necessary degree of similarity between the marks, as wholes, for the opposition before the EUIPO to succeed.

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[18] [2021] EWCA Civ 1207
[19] BL O/219/16
[20] T-194/14

59. I will begin by considering a likelihood of direct confusion. I keep in mind that the competing goods are highly similar, if not identical, and that the earlier mark is inherently distinctive to at least a medium degree and has been enhanced through use to a degree between medium and high. I have found that the marks' visual impression is likely to carry the greatest weight in the selection process and that the mark's visual similarity is of a fairly low degree. Whilst both marks incorporate an identical word in ALCHEMIST, the words which precede it are, respectively, quite different. The identical element is also positioned at the end of the marks which, generally, has less of an impact on the consumer. On balance, I find the marks are visually different to an extent which will allow the consumer to readily distinguish between them. Even where the purchase is approached on an aural basis, I find the preceding syllables sufficiently different for the consumer to acknowledge that the marks are not the same. In other words, notwithstanding the similarity or identity between the parties' goods and the distinctiveness enjoyed by the earlier mark, I dismiss a likelihood of direct confusion.

60. I move now to consider a likelihood of indirect confusion. As the case law indicates, this calls for a more multifaceted assessment, requiring the average consumer to acknowledge that the marks are different but nonetheless attribute what they have in common to a shared or related undertaking. The examples provided in *L.A. Sugar* are helpful but they are not intended to be exhaustive. What the marks share is a reference to an ALCHEMIST. I have considered the possibility of this creating an allusive connotation in relation to the relied upon goods but ultimately found it unlikely to be viewed in this way. I have found the term GROWN ALCHEMIST somewhat unusual, as a concept, and that the distinctiveness of the earlier mark has been enhanced through use. In the applicant's mark, the 'alchemist' is adorned with a beard. This provides an aesthetic insight which is absent in the earlier mark and will readily be recalled by the average consumer. However, when considered in respect of the goods for which registration is sought, in my view the average consumer will consider it a nod toward the nature of the goods themselves; that the existing mark had been adapted to represent a product line focusing predominantly on facial hair-care, for example. The marks' shared depiction of an alchemist, in relation to goods which are identical

or highly similar, is, to my mind, distinctive enough, as an element, to lead the average consumer to conclude that the marks must originate from a shared or related undertaking. Two separate entities electing to use the same word, which I have found to have no tangible relationship to the relevant goods, would likely be dismissed as too coincidental. In other words, indirect confusion will occur.

Section 5(3)

Legislation and case law

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

> "(3) A trade mark which is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom 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".

62. Section 5(3A) states:

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

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

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

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

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

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

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

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

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

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

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

64. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its mark is similar to the applicant's mark. Secondly, the opponent must show that its mark has achieved a level of knowledge, or reputation, amongst a significant part of the public. Thirdly, the opponent must establish that the public will make a link between the marks, in the sense of its mark being brought to mind by the applicant's mark. Fourthly, assuming the foregoing conditions have been met, section 5(3) requires that one or more types of damage claimed by the opponent will occur. It is not necessary for the purposes of section 5(3) that the goods are similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

65. The relevant date for the assessment under this ground is the filing date of the applicant's mark, that being 1 October 2022.

Reputation

66. I summarised the opponent's evidence earlier in my decision, having considered the sufficiency of the evidence in respect of both a genuine use assessment and a

consideration of enhanced distinctiveness. Whilst I accept that satisfying a requirement for reputation calls for a different test, much of my earlier conclusions apply. For the reasons already stated, particularly the turnover generated by the opponent and the consistent promotional efforts and partnerships it has engaged with, I am satisfied that by the relevant date the opponent had established a moderate reputation amongst a significant part of the relevant public in relation to the goods for which use has been established.

Link

67. As noted above, my assessment of whether the public will make the required mental 'link' between the marks must take into account all relevant factors. The factors are identified in *Intel* at paragraph 42 and I intend to take each of these in turn.

The degree of similarity between the conflicting marks

68. I have found that the marks share a fairly low degree of visual similarity, no more than a medium degree of aural similarity and at least a medium degree of conceptual similarity.

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

69. I have found at least a high degree of similarity between the goods relied upon by the opponent and those for which the applicant seeks registration. The average consumer of such goods is likely to be a member of the general public, with a medium degree of attention likely to be applied to the purchasing process. Visual

considerations are likely to play the largest role in the goods' selection, though I have not discounted the relevance of the marks' aural position.

The strength of the earlier mark's reputation

70. I have found that the opponent's mark enjoys a moderate reputation.

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

71. I have found that the opponent's mark enjoys at least a medium degree of inherent distinctiveness, which has been enhanced to between a medium and high degree by virtue of the use made of it.

Whether there is a likelihood of confusion

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

Conclusions on link

73. Taking into account all of these factors, in particular the repute and distinctiveness of the opponent's mark, together with the overall levels of similarity between the respective trade marks, it is my view that a link will be made in the mind of the relevant public.

Damage

74. Part of the opponent's case on damage is that the use of the applicant's mark in relation to the goods applied for would take unfair advantage of, or cause detriment to, the reputation acquired by its earlier mark. In its written submissions, for example, it states as follows:

> "72. On the issue of unfair advantage, it is submitted that the Contested Mark will remind consumers immediately of the Opponent's Earlier Mark and that the Applicant would benefit from the power of attraction of the Earlier Mark, its reputation and prestige, and will exploit, without paying financial compensation, the long-standing and intensive marketing efforts of the Opponent. As such, the public will transfer the positive image of the Earlier Mark to the use of the Contested Mark."

75. I keep in mind that the concept of unfair advantage has no effect on the consumers of the earlier mark's goods. Instead, the taking of unfair advantage of the distinctive character or reputation of an earlier mark means that consumers are more likely to buy the goods of the later mark than they would otherwise have been if they had not been reminded of the earlier mark. As a result, the marketing of the later mark will not require as much effort or investment due to the familiarity that the relevant public would already feel with it or the message they are sent about what to expect.

76. In *Jack Wills Limited v House of Fraser (Stores) Limited*[21], Arnold J (as he then was) considered the earlier case law and concluded that:

> "80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice

[21] [2014] EWHC 110 (Ch)

interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark mounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill."

77. I have already found that there is a likelihood of indirect confusion between the parties' respective marks, whereby the average consumer may purchase the applicant's goods in the mistaken belief that they are provided by, or economically endorsed by, the opponent. In such circumstances, it is clearly foreseeable that the applicant will secure an unfair commercial advantage by benefitting from the opponent's repute without paying financial compensation. I note that the opponent has earned several awards and positive recognition for its goods in some reputable publications, which is clearly an image of quality or reliability that could transfer to the applicant's goods. Consequently, even if there is no subjective intention on the part of the applicant to take unfair advantage of the opponent's mark, it is my view that this would be the objective effect. In other words, I find that damage is made out.

78. As damage is made out on the basis of unfair advantage, I do not consider it necessary to go on to consider the other pleaded heads of damage.

Outcome

79. The opposition under sections 5(2)(b) and 5(3) of the Act has been successful. Subject to any successful appeal against this decision, registration of the applicant's mark will be refused.

Costs

80. The opponent has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the opponent the sum of £1,200, which is calculated as follows:

Preparing a Notice of Opposition and considering the applicant's counterstatement:	£300
Preparing evidence and submissions:	£700
Official fees:	£200
Total:	**£1,200**

81. I order The Bearded Alchemist Ltd to pay GROUP Fourteen IP Pty Ltd the sum of £1,200. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of the proceedings if any appeal against this decision is unsuccessful.

Dated this 2nd day of October 2024

Laura Stephens

For the Registrar