O/1026/24

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003931033 BY SHENZHEN ADWELL TECHNOLOGY CO., LTD. TO REGISTER:

AS A TRADE MARK IN CLASSES 34 & 35

AND

IN THE MATTER OF THE OPPOSITION THERETO UNDER NO. 442295 BY CHAPTER 4 CORP D.B.A. SUPREME

BACKGROUND AND PLEADINGS

1. On 7 July 2023, Shenzhen adwell Technology Co., Ltd. ("the applicant") applied to register the trade mark shown on the cover of this decision ("the applicant's mark") in the UK for the following goods and services:

Class 34: Cigars; tobacco; cigarettes; lighters for smokers; cigarette filters; flavourings, other than essential oils, for tobacco; electronic cigarettes; electronic cigarette cases; liquid solutions for use in electronic cigarettes; menthol cigarettes.

Class 35: Advertising; outdoor advertising; online advertising on a computer network; presentation of goods on communication media, for retail purposes; business management and organization consultancy; commercial administration of the licensing of the goods and services of others; providing business information; marketing; import-export agency services; provision of an online marketplace for buyers and sellers of goods and services.

2. The applicant's mark was published for opposition purposes on 21 July 2023 and, on 2 August 2023, it was opposed by Chapter 4 Corp d.b.a. Supreme ("the opponent"). The opposition is reliant upon sections 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 ("the Act").

3. In respect of the section 5(2)(b) ground, the opponent relies on the following earlier marks:

UK registration no. 3380415
Filing date 16 July 2018; registration date 22 November 2019
Priority date 16 July 2018 (USA)

Relying on all goods, being those in class 34.
("the opponent's first registration"); and

UK registration no. 3898217
Filing date 6 April 2023; registration date 8 December 2023
Relying on some goods, being those in class 34.
("the opponent's second registration").

4. In respect of the section 5(2)(b) ground of the opposition, the opponent targets the opponent's class 34 goods only. Under this ground, the opponent claims that the goods at issue are identical or similar and that this, together with the highly similar nature of the marks, means that there exists a likelihood of confusion on the part of the relevant public.

5. Under the section 5(3) ground of its opposition, the opponent not only relies on its first two registrations (though in respect of its second registration, it relies on all goods for which it is registered, being those in classes 14, 16, 21, 28 and 34) but also on the following:

(Series of two)
UK registration no. 3011437
Filing date 25 June 2013; registration date 22 November 2013
Priority date 6 March 2013 (USA)
Relying on all goods, being those in class 25.
("the opponent's third registration");

(Series of two)
UK registration no. 3011586
Filing date 26 June 2013; registration date 27 November 2015
Priority date 6 March 2013 (USA)
Relying on all goods and services, being those in classes 18, 28 and 35.
("the opponent's fourth registration"); and

UK registration no. 3461041
Filing date 24 January 2020; registration date 7 August 2020
Relying on all goods, being those in class 25.
("the opponent's fifth registration").

6. Under the section 5(3) ground, the opponent claims that its earlier registrations all possess an enhanced degree of distinctive character and reputation in the UK. The opponent claims that the marks at issue are similar and that use of the applicant's mark would, without due cause, take unfair advantage of the distinctive character and reputation of the opponent's earlier registrations. Further, the opponent claims that use of the applicant's mark would be detrimental to the distinctive character and/or reputation of its earlier registrations.

7. The goods and services relied upon under both of the section 5(2)(b) and 5(3) grounds are set out in the Annex of this decision.

8. Under the section 5(4)(a) ground, the opponent relies on the following signs:

SUPREME

Claimed use throughout the UK since 1996

("the opponent's first sign")

Claimed use through the UK since 1996

("the opponent's second sign")

SUP

Claimed use throughout the UK since 2006

("the opponent's third sign")

Claimed use throughout the UK since 2015

("the opponent's fourth sign")

9. The opponent claims that it has used the above signs throughout the UK since the claimed dates in respect of the following goods and services:

> "Lighters for smokers; ashtrays; matches; cigarette lighter holders; retail services in connect with the sale of lighters for smokers, ashtrays, matches and cigarette lighter holders."

10. As a result of this use, the opponent claims that it has built, and owns, extremely substantial and valuable goodwill in its business across the UK and that the signs relied upon are distinctive of and/or associated with that goodwill. As a result, the opponent claims that use of the applicant's mark will constitute a misrepresentation that will deceive customers into thinking that the goods provided under that mark

are the goods of the opponent or that there is some other relationship between the parties. The opponent argues that this would result in damage or likely damage to its goodwill.

11. Lastly, the pleadings under the section 3(6) ground are that the applicant's mark has been deliberately designed to confuse itself with the opponent's various registered and unregistered marks as it comprises of the same stylised font. The opponent argues that it is, therefore, inevitable that the applicant was fully aware of the earlier marks (be they registered or not) and the opponent's commercial success in the UK at the time of filing for its own mark. The opponent claims that the applicant's intention is to deceive, confuse and mislead consumers into thinking that its products are provided or authorised by the opponent. The opponent's position is that this demonstrates a bad faith attempt to wrongfully associate the applicant and its goods and services with the opponent when no such association exists.

12. The applicant filed a counterstatement denying the claims made and requested that the opponent provide proof of use in respect of the marks in its third and fourth registrations.

13. The opponent is represented by Keltie LLP and the applicant is represented by Trademarkit LLP. Only the opponent filed evidence in chief which I note was accompanied by separate written submissions. No hearing was requested and only the applicant filed written submissions in lieu. This decision is taken after careful consideration of the papers.

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

EVIDENCE

15. The opponent's evidence in chief came in the form of two witness statements, being those of Ms Lisa Willis and Ms Charlotte Wilding, both of which are dated 28 December 2023.

16. Ms Willis is the Associate General Counsel of the opponent. Her evidence is accompanied by 29 exhibits, being those labelled LW1 to LW29, and speaks to the opponent's use of its marks/signs. As for Ms Wilding, she is a Partner at the opponent's representative firm and is, therefore, duly authorised to file evidence on its behalf. Ms Wilding's statement is accompanied by one exhibit, being that labelled CW1, and was adduced to demonstrate that 'vape bars' is a descriptive term in the context of the applicant's class 34 electronic cigarette goods.

17. I do not intend to summarise the opponent's evidence or the applicant's submissions in full here. However, I confirm that I have taken all filed documents into account and will summarise them to the extent that I deem necessary below.

DECISION

Proof of use

18. As above, the marks in the opponent's third and fourth registrations have been put to proof of use. As these registrations are relied upon under the section 5(3) ground only, I will refrain from undertaking an ordinary proof of use assessment here. I take this approach on the basis that a key requirement for an opposition brought under section 5(3) is that the opponent prove that its marks enjoy a reputation in the relevant territory. The existence of a reputation stems from use of the marks relied upon. Further, the test for proving reputation is significantly more onerous than that for proof of use.[1] Therefore, if the opponent proves that the marks in its

[1] A finding of genuine use only requires a sufficient level of use (as per the case of *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247, this need not be quantitively significant) whereas a finding of a reputation requires that the marks relied upon are known by a significant part of the relevant public in the relevant territory.

third and fourth registrations enjoy a reputation then it follows that it has used the same. However, if it fails to prove a reputation, then the issue as to whether it has genuinely used those marks is not relevant. This is on the basis that the section 5(3) ground in reliance upon these marks will not be able to proceed for failure to prove that a reputation exists.

19. So while the issue of genuine use does not fall away, the assessment of the same can be coupled together with my assessment of reputation, which I will consider where relevant below.

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

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

> "(2) A trade mark shall not be registered if because-
>
> (a) […]
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood or association with the earlier trade mark."

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

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

22. 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.

23. The opponent's first and second registrations qualify as earlier trade marks under the above provisions. As the marks in the opponent's registrations had not completed their registration processes more than five years before the filing date of the applicant's mark, they are not subject to proof of use pursuant to section 6A of the Act. Consequently, the opponent may rely on the goods it has identified in the relevant section of its notice of opposition.

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

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the

imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

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

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

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

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

Comparison of the goods

25. The competing goods are as follows:

The opponent's goods	The applicant's goods
The opponent's first registration Class 34 Lighters for smokers. *The opponent's second registration* Class 34 Lighters; Ashtrays; Matches; Cigarette lighter holders.	Class 34 Cigars; tobacco; cigarettes; lighters for smokers; cigarette filters; flavourings, other than essential oils, for tobacco; electronic cigarettes; electronic cigarette cases; liquid solutions for use in electronic cigarettes; menthol cigarettes.

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

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

27. 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.

28. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)***,** Case T-325/06, the General Court ("GC") stated that "complementary" means:

> "...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."

29. In *Sanco SA v OHIM,* Case T-249/11, the GC indicated that goods and services may be regarded as 'complementary' and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose

of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13*:*

> "It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes."

30. Whilst on the other hand:

> ".....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together."

31. I note that in its written submissions, the applicant accepts that its "lighters for smokers" are identical to the goods of "lighters for smokers" and "lighters" in the opponent's respective specifications. I agree and will, therefore, proceed on the basis that these goods are identical.

32. In respect of the remaining goods, the applicant denies that they are in any way identical or similar to the opponent's goods. This is on the basis that their natures, purposes and methods of use are entirely different. Further in respect of the goods relating to electronic cigarettes, the applicant submits that while they are used to simulate, to some extent, the action of smoking traditional tobacco products, they are an entirely different technology and they are targeted at a different consumer base.

33. Contrary to the above, the opponent submits that these goods are all related to smoking and e-smoking, such that the goods have the same purpose, end user and method of use. Further, the opponent argues that they are produced by the

same manufacturers, sold through the same trade channels and target the same relevant public.

Cigars; tobacco; cigarettes; menthol cigarettes.

34. I am in agreement with the applicant in that the above goods differ in nature, method of use and purpose with the opponent's goods, being "lighters for smokers" and "lighters" in its respective specifications. However, this does not automatically mean that they are dissimilar as there are additional factors that I am required to consider. Firstly, the users of the above goods will plainly overlap with the opponent's goods as smokers will use the lighter to light their cigarette or cigar. Secondly, in respect of trade channels, I accept that cigarettes/cigars and lighters will be available via the same retail outlets and are likely to be available for sale in the same sections of those stores. That being said, I have nothing to suggest that a producer of cigarettes also produces and sells its own brand of lighters. I appreciate that some cigarette or cigar producers may do so (especially for promotional purposes), however, I do not consider that this is necessarily something that is common in the trade. As a result, I consider that any overlap in trade channels is limited to just the distribution of the goods. I turn lastly to complementarity. Clearly, a lighter is important to a cigar or a cigarette. That being said, I do not consider that this relationship is such that consumers would consider them to be the responsibility of the same undertaking. As such, the goods are not complementary in the way described by the case law cited above. Taking into account the overlap in user and distribution channels, I am of the view that these goods are similar to only a very low degree.

Cigarette filters; flavourings, other than essential oils, for tobacco.

35. Plainly, these goods differ in nature, method of use and purpose with the opponent's terms of "lighters for smokers" and "lighters" in its respective specifications. That being said, I am of the view that the user of the above goods (being those who roll and flavour their own cigarettes) will also use the opponent's goods to light said cigarettes. In addition, and following a similar logic to the one

discussed in the preceding paragraph, I find that these goods will not be produced by the same undertakings but will be available via the same retailers and are likely to be available for sale in the same sections of those stores. Further, while a lighter may be important to a finished cigarette, it is not important to the filter or tobacco flavouring goods. As such, the goods are not complementary. However, even if the goods were important to one another, the distinction between the undertakings responsible means that the goods would not be complementary in any event. Taking all of this into account, I consider that these goods are similar to a very low degree.

Electronic cigarettes; liquid solutions for use in electronic cigarettes.

36. As above, the opponent submits that these goods share the same purpose, end user and method of use as its own goods. While I appreciate that this argument may carry weight if the comparison were cigarettes against electronic cigarettes, that is not the case here as the opponent relies only on “lighters for smokers” (in its first registration’s specification) and “lighters”, “ashtrays”, “matches” and “cigarette lighter holders” (in its second registration’s specification). None of these are goods that are actually smoked. In comparing the relevant factors, I am of the view that the nature, method of use and purpose of the goods all clearly differ. As for user, I note that an electronic cigarette is not lit and neither does it require an ashtray. Therefore, the user of an electronic cigarette would not also use the opponent’s goods. Generally speaking, I do not consider that people who smoke cigarettes also use electronic cigarettes, though I do appreciate that there may be some overlap. As a result, I consider that any overlap in user is limited. As for trade channels, I do not consider that a producer of a lighter (or a case for the same), a match or an ashtray would also produce electronic cigarettes or liquid solutions for the same. In terms of how the goods reach the market, it is my understanding that they will be sold via the same general retailers and the goods (especially the lighters) are likely to be available for sale in the same sections as the applicant’s goods. The goods are not competitive and neither are they complementary. Taking all of this into account, I am of the view that the limited natures of the overlaps

discussed above are such that the goods are not similar to any degree. These goods are, therefore, dissimilar.

Electronic cigarette cases.

37. Firstly, I do not consider that the above term shares any obvious degree of overlap in the relevant factors with the opponent's "lighters for cigarettes" and "lighters" in its respective specifications. In my view, the closest term present in the opponent's specifications is "cigarette lighter holders" in its second registration. Both goods are holders or cases used to carry or store something. While the product these goods are meant to hold differ (meaning that the size and shape of the cases will vary), there is some degree of overlap in nature, method of use and purpose. In respect of user, I repeat what I have said above in that people who use electronic cigarettes are unlikely to smoke traditional tobacco products so will not require a case for a lighter. Lastly, I turn to trade channels. I do not consider that the producers of these goods will be the same and despite my repeated findings of overlaps in distribution channels throughout this comparison, I do not consider that this applies here. I say this because I have nothing to suggest how either of these goods reach the market and whether or not they appear on the same sections or even within close proximity of one another in retail stores. Taking all of this into account, I am of the view that the limited overlaps in nature, method of use and purpose are such that they warrant a finding that these goods are similar to a between a low and medium degree.

Conclusion on the goods comparison

38. Where there is no similarity of goods or services, there can be no likelihood of confusion under section 5(2)(b) grounds.[2] As a result, my findings above mean that the present ground fails in respect of the following goods, being those that I have found dissimilar:

[2] *eSure Insurance v Direct Line Insurance,* [2008] ETMR 77 CA

Class 34: Electronic cigarettes; liquid solutions for use in electronic cigarettes.

The average consumer and the nature of the purchasing act

39. The case law, as set out earlier, requires that I determine who the average consumer is for the respective parties' goods. I must then decide the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. 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."

40. The goods at issue are, for the most part, goods associated with smoking. One term that remains at issue is in relation to vaping (being "electronic cigarette cases"). As such, I find that the average consumer base will, for the most part, be members of the general public who smoke, though some consumers will be made up of those who vape. For the most part, the goods are likely to be available via general retailers or specialist vape/smoking retailers or their online equivalents. In respect of the tobacco related products, they are not permitted to be displayed on shelves and will, therefore, be selected aurally. Having said that, a visual component will still play a part on the basis that the consumer will view the goods before making their purchase. As for the other goods at issue, these are not subject to any ban or limitation and, therefore, will be selected by the consumer after a visual inspection of the same. In my view, the selection of the goods that are not directly tobacco products will be dominated by the visual component (though I do

not discount aural considerations in the form of word of mouth recommendations or advice from sales staff) whereas the selection of tobacco products will be done primarily based on the aural component (though as above, the visual component will still play a role).

41. All of the goods at issue are likely to be purchased reasonably frequently and at a relatively low cost. For the tobacco products, various factors will be taken into account, such as the type or strength of the product. As for the cases, I appreciate that these are not likely to be overly considered selections, however, the consumer will still consider the materials used and whether it is suitable for its intended purpose (i.e. does the product fit within it). Lastly, I consider that while lighters are commonly casual selections (for those plastic lighters that are non-refillable, for example), some will be more considered purchases. For example, the consumer may consider factors such as materials, lighting mechanism, type of fuel used and design/style. In my view, the goods are, for the most part, likely to be selected having paid a medium degree of attention during the purchasing process. That being said, I am of the view that some goods may attract a lower degree of attention.

Comparison of the marks

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

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

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

sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

44. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

45. The respective trade marks are shown below:

The opponent's registrations	The applicant's mark
Supreme ("the opponent's first registration") Supreme ("the opponent's second registration")	Supbar

46. The marks in the opponent's registrations relied upon under the present ground are identical. Therefore, I will consider them together for the purposes of this assessment and will refer to them in the singular, i.e. the opponent's mark.

47. I note that I have submissions from the parties in respect of the marks at issue. In addition, the opponent has provided evidence wherein it argues that the use of 'bar' is descriptive in the context of the goods at issue. While I have taken the submissions into account, I do not intend to discuss them here and will, instead, discuss them if necessary below. As for the evidence, however, I do consider it

appropriate to address this on the basis that my decision in respect of the same will inform the following assessments.

48. The opponent's evidence on this point comes in the witness statement of Ms Wilding and the one exhibit attached thereto. The narrative evidence does little but introduce the exhibit which consists of a range of printouts taken from online sources. The first printout is an article taken from a website called 'UPENDS COMMUNITY' and is dated 20 May 2022.[3] This article shows a list of 12 different disposable 'vape bars'. While the reference to 'vape bars' is noted, the website lists prices in dollars. As such, the website is not one that is targeted at UK consumers and, therefore, is of no real assistance to the opponent's position that 'BAR' would be seen as descriptive to UK consumers. The second printout is an article taken from VapeGreen dated 13 September 2021 (with an update date of 27 September 2023, being after the relevant date).[4] The article is a beginner's guide to vaping. I note that it makes reference to the fact that disposable vapes are referred to by several names, one of which being 'vape bars'. Unlike the article discussed above, this one is targeted at the UK consumer and I say this because it makes reference to reports from Public Health England.

49. Having considered the evidence, I accept that it may very well be the case that electronic cigarettes are referred to as 'vape bars'. However, just because a term may be in existence, it doesn't necessarily mean that its use is widespread across the consumer base. On this point, I note that there is nothing before me to actually suggest how widespread use of that term may be. Lastly, given that the article was updated after the relevant date, it is entirely plausible that the reference to 'vape bars' was added at that date.

50. Overall, I do not consider the presence of one article aimed at the UK public (even if it could be said that the reference to 'vape bars' was in place prior to the relevant date) is, without anything further, sufficient to warrant a finding that 'BAR' in 'SUPBAR' would be seen as a descriptive term.

[3] Pages 1 to 6 of CW1
[4] Pages 7 to 9 of CW1

Overall impression

51. The opponent's mark is a figurative mark that consists of the word 'Supreme' in a slightly stylised white typeface that sits on a red rectangular background. The overall impression of the mark is dominated by the word 'Supreme'. As for the stylisation and colours used, I appreciate that these are not remarkable. That being said, I consider that due to their contrasting nature, they will still play a role in the overall impression of the mark, albeit a lesser one. The applicant's mark is also a figurative mark that consists of the word 'Supbar' presented in a slightly stylised white typeface on a black rectangular background. As was the case with the opponent's mark, the overall impression of the applicant's mark will be dominated by the word element, with the stylisation and contrasting colours playing lesser roles.

Visual comparison

52. Visually, the parties' marks are similar in a sense that they include word elements that share the first three letters, being 'Sup'. The other letters in the word elements, being the letters 'reme' (in the opponent's mark) and 'bar' (in the application) differ entirely. The typefaces used, while not remarkable, are stylised in a very similar way. Further, both words in the parties' marks are presented in white and on a contrasting rectangular background. In respect of the colour used in the background, as a mark registered in black and white, the applicant's mark is capable of being used in any colour, including that used by the opponent. As a result, the get ups and colours used in both parties' marks can be said to be the same. Taking all of this into account, I find that the marks are visually similar to at least a medium degree.

Aural comparison

53. Aurally, the opponent's mark consists of two syllables that will be pronounced as 'SOOP-REEM'. The applicant's mark will also consist of two syllables that will be pronounced as 'SUPP-BAR'. While the first syllables do share a degree of similarity

in the presence of the letters 'S' and 'P', the sound created is not the same due to the way in which the letter 'U' is pronounced. Further, the second syllables in both marks differ entirely. Taking all of this into account, I find that the marks are aurally similar to a low degree.

Conceptual comparison

54. Conceptually, the word 'Supreme' will have an obvious meaning to consumers in the UK, namely '*of highest quality, importance, etc'*.[5] As for 'Supbar', I do not consider that this carries any obvious meaning and will, instead, be viewed as a made-up word. While I appreciate that the marks share the first three letters, no actual concept is derived from this. As a result, given the obvious meaning of 'Supreme' and the lack of meaning associated with 'Supbar', I find that these marks are conceptually dissimilar.

Distinctive character of the opponent's registrations

55. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

> "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
>
> 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not

[5] https://www.collinsdictionary.com/dictionary/english/supreme

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)."

56. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The opponent has claimed that its registrations enjoy enhanced degrees of distinctive character. Before considering whether the evidence proves this or not, I will first consider the inherent position.

57. While the stylisation of the marks will be noticed, it is fairly banal and, therefore, the inherent distinctiveness of the marks in the opponent's registrations will lie in the word 'Supreme' itself. As I have set out above, the word 'Supreme' will be well-known to the UK consumer. In my view, this meaning will be considered laudatory to the quality of the goods at issue. As a result, I consider that the inherent distinctiveness of the marks in the opponent's registrations will sit on the lower end. That being said, I do not consider that it would be outright low and, instead, find that it sits somewhere between a low and medium degree.

58. I turn now to consider the position in respect of enhanced distinctive character. The evidence is extensive as it also includes that which was filed in support of the opponent's claim of reputation in goods other than those in class 34 as well as evidence in support of its section 3(6) ground. For the purpose of the present assessment, given that it is only the class 34 goods that are at issue, I will focus only on the evidence insofar as it relates to those goods.

59. In terms of class 34 goods, I note that a printout is provided showing images of lighters and ashtrays from various collections that the opponent has released over the years.[6] In addition, there is one image showing matches and another that shows a lighter case. The majority of these goods (of which there are 11 pages worth) show the marks in the opponent's registrations. Some of the lighters are shown in articles wherein various collaborations with the lighter brand Zippo are discussed.[7] In addition, there are printouts from the opponent's own website and British Vogue which both show Supreme lighters, albeit only limited examples of the same.[8]

60. While I have no doubt that the opponent sells lighters, I have nothing before me to suggest the volume of any sales or marketing efforts in the UK. On this point, I note that the opponent has provided turnover figures in respect of sales in the UK, however, these are expressly confirmed as covering class 18, 25 and 28 goods. Therefore, the turnover cannot be said to be attributable to the goods at issue here. While it may be the case that the opponent operates a successful clothing brand (more on this below), I have nothing to determine how this equates to the goods at issue here. Without anything further, I consider the evidence to be insufficiently solid and I am, therefore, not willing to infer the existence of a sufficient level of sales associated with the opponent's class 34 goods. In my view, this was something for the opponent to prove and, to me, it is clear that it has not done so. As a result, I find that the evidence falls far short of proving that the opponent's registrations enjoy any degree of enhanced distinctive character in respect of the goods at issue.

Likelihood of confusion

61. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that

[6] LW14
[7] LW15
[8] See LW5 and LW10, respectively.

exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's registrations, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that they have retained in their minds.

62. I have found the goods at issue to be either identical, or similar to between a low and medium degree or to a very low degree. The average consumer base is formed of members of the general public who will mostly pay a medium degree of attention but, for some goods, this will be lower. The selection process will vary depending on the goods at issue. For some goods, the visual component will dominate (though the aural element will still play a role) but for others, the aural component will dominate (though the visual element will still play a role). I have found the marks at issue to be visually similar to at least a medium degree, aurally similar to a low degree and conceptually dissimilar. I have found that the opponent's registrations possess between low and medium degrees of inherent distinctive character.

63. Taking all of these factors into account and even bearing in mind the principle of imperfect recollection, I do not consider that they would be inaccurately recalled or misremembered for one another. While the first three letters and the get ups of the marks are the same, the consumer will notice that the words in the marks are different, especially given the distinct conceptual hook created by the well-known word 'Supreme' in the opponent's registrations. Given that the words themselves are the dominant elements of the marks at issue, the consumer will have no trouble accurately recalling 'Supbar' and 'Supreme', respectively. Consequently, I do not consider that there is any likelihood of direct confusion, even when the consumer

is paying a lower degree of attention or where the parties' marks are viewed on goods that are identical.

64. I will now proceed to consider whether there exists a likelihood of indirect confusion. In doing so, I remind myself of the case of *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, wherein Mr Iain Purvis Q.C., as the Appointed Person, explained that:

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

extension (terms such as ‘LITE’, ‘EXPRESS’, ‘WORLDWIDE’, ‘MINI’ etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (‘FAT FACE’ to ‘BRAT FACE’ for example)”.

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

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

67. In the present case, I do not consider that consumers would believe the marks to originate from the same or economically linked undertakings. Whilst I acknowledge that the marks share the same first three letters (being ‘Sup’) and are presented in the same get up, I do not consider that there is any logical basis for a finding of indirect confusion. In my view, consumers would not, upon being confronted with marks at issue, consider that the undertaking responsible for the ‘Supreme’ marks would remove the last four letters and replace them with ‘bar’. Such an alteration is illogical and makes no sense in the context of a brand extension or sub-brand. While I appreciate that the stylisation used (and in the event that the applicant’s mark is presented in red and white) would call to mind the marks in the opponent’s registrations, this is mere association, not confusion.[9] Consequently, taking all of

[9] *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17

this into account and bearing in mind the comments of Arnold LJ and Mr Mellor Q.C in the preceding paragraph, I do not consider that there exists a likelihood of indirect confusion between the marks, even when the consumer is paying a lower degree of attention.

68. I will now proceed to consider the section 5(3) ground of opposition.

Section 5(3)

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

> "5(3) A trade mark which –
>
> is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark."

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

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

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

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

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

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

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

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

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a

characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

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

71. Under the present ground, I remind myself that the opponent relies on all of the registrations listed at paragraphs 3 and 5 above. Further, the opponent claims to enjoy a reputation in all of the goods and services covered by those registrations.

72. On the point of the marks relied upon, I note that the opponent's third and fourth registrations include marks registered in black and white. As I have set out above, marks registered in black and white are covered for use in any colour, including the red used by the opponent in its other marks. As a result, I consider that any use of these marks in red throughout the evidence is capable of being attributed to the black and white marks in its third and fourth registrations. Therefore, it follows that all of the marks relied upon by the opponent (save for the mark in its fifth registration) are identical and I will treat them as such. For ease of reference, I will simply refer to these marks in the singular and as 'the opponent's Supreme mark'.

73. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the marks are similar.[10] Secondly, the opponent must show that its marks have

[10] Given my findings under section 5(2)(b) above and in light of those marks being relied upon here (and also identical to the other marks relied upon), this condition has been satisfied.

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

74. As above, the applicant has requested that the opponent provide proof of use for the marks its third and fourth registrations. I repeat what I have said above in that if I am satisfied that there exists a reputation for these marks then it follows that the opponent has genuinely used the same. However, if no reputation is found to exist for these marks, the question as to whether the opponent has genuinely used them is not relevant as its reliance upon those marks under the present ground will not proceed due to a lack of reputation.

Reputation

75. The evidence goes in to the background of the Supreme brand and its origins in the United States in the 1990s. While noted, the relevant territory here is the UK so I will focus solely on the evidence that relates to that market. The evidence confirms that the opponent began selling clothes in select third-party stores in the UK in 1996 with its first 'Supreme' branded store opening in London in 2011. Images of the store and two articles from HYPEBEAST and The Daily Steet regarding the store opening (both of which dated 22 September 2011) are provided in evidence.[11] Where a logo is shown, I note that it is the opponent's Supreme mark.

76. In respect of the London store, the evidence claims that due to the cosmopolitan nature of London and its status as a major capital city, consumers do visit this store

[11] LW4

from around the world. Ordinarily, such a claim would be purely speculative but, in the present case, I note that there is press coverage that I will come to discuss in greater detail below that suggests that customers from across Europe visit the opponent's London store to buy its latest released goods.[12]

77. The evidence confirms that the opponent also sells its goods via its website that began operating globally in 2006. Online sales though the website and the opponent's downloadable application commenced throughout the UK in 2013. The website, as it appeared in August 2023 (being just after the relevant date) is provided in evidence.[13] This shows goods such as lighters, kitchenware, skateboards, pens and fishing rods, amongst others. In addition, this same evidence also shows printouts of the website taken from the internet archive facility, the Wayback Machine between the years 2015 to 2020. These printouts mostly show items of clothing but also include hats, skateboard decks and bags. Some of the printouts provided include the Union Jack flag at the bottom of the page (implying that it is a UK-facing page). In addition, the narrative evidence confirms that the printouts show goods that were available to consumers in the UK since 2013. Throughout these printouts, I note that the opponent's Supreme mark features heavily.

78. In respect of UK visitors to the opponent's website, the evidence includes information as to the number of page views and users. I do not intend to reproduce these here but note that the information for the years 2017 to 26 April 2023 show pageviews in the hundreds of millions per year with users in the multiple millions.[14]

79. In respect of the opponent's downloadable app, the evidence confirms that it was launched in 2013. The evidence includes images of the app available for download via the Apple App Store.[15] Analytics are provided that between 2017 and 2022, this

[12] See page 252 at LW22 which, when discussing the opponent's store, refers to "pilgrimages from all over the UK and Europe".
[13] LW5
[14] On this point, I will say that the figures for 2023 include up to 26 April 2023, meaning that they are significantly lower. However, this is to be expected as the timeframe covered is just under four months as opposed to a full calendar year.
[15] LW7

app was installed 669,052 times.[16] The narrative evidence confirms that the app shows the opponent's Supreme mark and that it has not materially changed since its launch in 2013. The evidence sets out that the app allows users to browse Supreme goods, review seasonal look books, view new content and buy goods.

80. Turning to the goods that the opponent sells; the narrative evidence sets out that it only produces goods in limited quantities of goods to ensure high quality. It is claimed that this enhances the scarcity and exclusivity of the goods amongst the relevant consumer base. In support of the range of goods sold, the opponent has provided a range of printouts showing goods that were available for sale to UK consumers at various dates prior to the relevant date. These goods include magnet bike lights, instant film packs, printers, hats, tank tops, t-shirts and skateboard decks. While all of these goods show the opponent's Supreme mark, they are not goods relied upon under the present ground. On the point of the branding used, the narrative evidence confirms that where the goods do not show the marks at issue on them, the goods all include the opponent's Supreme mark on their labels and tags.

81. The evidence goes on to discuss a collaboration with Louis Vuitton. This is discussed in press coverage that comes via articles from 2017 by the Guardian, the Telegraph, Sneaker News and HYBE BEAST.[17] While the Guardian and Telegraph appear to be UK-facing articles (as they contain reference to British pounds and to the city of London), there is nothing to confirm whether Sneaker News is a publication aimed at the UK consumer. As for the HYPE BEAST, it appears to be a US-facing article but does make reference to the fact that the collaboration is available via the opponent's UK store. Also within this same exhibit are printouts from High Snobriety (which discusses the greatest Supreme accessories of all time) and British Vogue.[18] I will not go over each and all products shown but note that they include goods such as baseballs, basketballs, foghorns, incense, rolling papers, matches, ashtrays, locks, knives, hammers, fire

[16] LW8
[17] LW10. It is noted that a third article is provided from 'HYBEBEAST' but this appears to be a US-facing article.
[18] At pages 66 to 101 of LW10

extinguishers, blankets, dog bowls, harmonicas, dice, guitars, guitar cases, chairs, chopsticks, exercise mats, lighters and speakers, amongst many others. All of the goods bear the opponent's Supreme mark.

82. A range of hats, clothing and bags shown in the opponent's seasonal catalogues are provided.[19] Additionally, a range of skateboards and skateboard related goods are also shown.[20] I will not discuss these in any detail save to say that the majority of the goods all show the opponent's Supreme mark (though it is noted that a lot of the skateboard decks at LW13 do not).

83. The evidence goes on to discuss the packaging and labelling used by the opponent. Images of the labels, swing tags and bags (that are confirmed as being given out with all Supreme goods when purchased in the opponent's stores) are shown in evidence. I note that all of these include the opponent's Supreme mark in red and white.

84. In respect of retail services, the opponent's evidence confirms that all of its goods are sold in the UK via its own brick-and-mortar stores and online through the opponent's website or app.

85. In terms of actual sales, the opponent sets out that it does not wish to make its sales figures availably publicly but confirms that its UK sales in relation to goods in class 18, 25 and 28 over the 'past five years' exceeded £30 million in respect of goods sold via its stores and online. While it is not confirmed what period is covered by the 'past five years', I note that the witness statement is only dated four months after the relevant date so it can be implied that the majority of these sales figures come from prior to the relevant date.

86. A wide range of evidence is provided in respect of the opponent's collaborations with musical artists/celebrities over the years.[21] I have no intention to discuss the entirety of the evidence as some of the collaborations relate to American based

[19] LW11
[20] LW12 and LW13.
[21] LW17

celebrities (both current and historical) that may not necessarily be well known in the UK. However, I will briefly mention that this evidence does cover collaborations with well-known celebrities such as James Brown, members of the Wu Tang Clan, Lou Reed and Damien Hirst. In addition, this same evidence shows a range of celebrities wearing Supreme products and I note that this includes famous musicians such as Kanye West, Pharell Williams, Nas, Kid Cudi and Justin Bieber, actors such as Robert Pattinson and sport stars such as Michael Jordan (which shows him wearing a collaboration t-shirt between 'Supreme' and his own Air Jordan brand).

87. Advertising images are also shown in the evidence that seemingly relate to celebrity endorsements from Kate Moss and Lou Reed.[22] The images shown include posters of these celebrities wearing the opponent's brand and the evidence confirms these posts as being displayed in London in 2012 (for the Kate Moss campaign) and 2009 (for the Lou Reed campaign).

88. At this point, the evidence circles back to the topic of collaborations, though this time with third party brands such as Levi's, Timberland, Vans, Nike, Lacoste, North Face and Louis Vuitton. Evidence in respect of these (and other) collaborations is shown in evidence by way of various press articles.[23] I note that the goods shown include various clothing goods, footwear, suitcases, bags, jackets, gloves, sunglasses, hats and skateboards. While the evidence mainly focuses on the USA (with references to US stores and to the season of 'Fall' together with prices shown in US dollars), the narrative evidence confirms that these collaborations have launched in the UK also. No sales in relation to these collaborations are provided but the narrative evidence confirms that the goods in the collaborations often sell out within hours or even minutes of going on sale.

89. The evidence includes an article from 2018 by The Guardian regarding two launches of the opponent's collaborations with Japanese streetwear brand

[22] LW18
[23] See LW19, generally, but for the Louis Vuitton collaboration, see LW20.

Undercover and the US-hip hop group Public Enemy.[24] This article explains the previous hype surrounding the opponent's releases at the London store and the queues that would snake around surrounding streets. However, this article focuses on a new approach by the opponent in relation to a ticketed system to allow for more orderly releases. The article confirms that four hundred pre-registered shoppers were allocated a time slot between 11 am and 6pm to attend the London store to purchase the products. Even with the new system, there are photographs in the article that show customers in a long queue outside the store. Another article is provided from SHIFT London (from September 2018) wherein a reporter covered a release at the opponent's London store and includes interviews with customers who had camped out at the store overnight in anticipation for a new launch.[25] This article shows a number of photographs of the queues at the opponent's London store. Lastly, there is an article from Vice (also from 2018) which discusses the launch of a Morrisey Supreme t-shirt.[26] Ahead of the launch, this article confirms that customers attended this launch from across the UK and even Europe. Further, it confirms that some customers even camped outside the London store from 9am the day before the launch to ensure their spot in line.

90. The evidence then discusses the fact that in 2018, the opponent's brand was valued at over $1 billion.[27] In this same exhibit, there is a list of the 50 greatest streetwear brands that was published in 2011 on the website Complex UK. I note that the Supreme brand is listed at number two of this list. In addition, there is an undated article (with a printout date of April 2017) from 'Ranker' which listed Supreme as the number one streetwear brand. While I appreciate that the former publication is a UK publication, there is nothing to suggest 'Ranker' is aimed at the UK consumer.

91. A printout showing web and social media analytics is provided that shows that by 2022, the opponent's Facebook account had 2.3 million global followers and its

[24] Page 249 at LW22
[25] Pages 250 to 252 at LW22
[26] Page 252 at LW22
[27] LW23

Instagram account had over 13 million global followers.[28] While global figures, the analytics provided alongside this evidence confirm that UK accounts accounted for 3.2% of the Facebook followers and 3.4% of the Instagram followers. This means that, roughly, the UK follower count would have, by 2022, stood at 73,600 for Facebook and 442,000 for Instagram.

Assessment of the evidence

92. Before proceeding, I wish to briefly discuss the marks at issue. Firstly, it is clear that the primary business operation of the opponent is focused on its 'Supreme' mark. On this point, I refer to the fact that it is this the mark that is used by the opponent on all of its goods' swing tags, packaging as well as on its website and store fronts. Further, this mark appears in the majority of the press coverage before me. As for the mark in the opponent's fifth registration, being its 'Sup' mark, I appreciate that it does appear in the evidence,[29] however, this is only to a limited degree. Further, there is no breakdown in respect of the opponent's turnover and neither is there anything before me to demonstrate how its level of use can be said to relate to the 'Sup' mark. Lastly, there is nothing to establish that use of 'Sup', solus, has been so extensive that consumers have been educated to associate 'Sup' with 'Supreme' in the UK. All of this together with the clear focus on the Supreme mark is such that leads me to conclude that the evidence in respect of this mark is not sufficient to give rise to a finding that the opponent enjoys a reputation in this mark. As a result, I will proceed in assessing the section 5(3) claim in relation to the opponent's Supreme mark only.

93. In considering the evidence as a whole, I wish to first point out that I have issues with how the turnover evidence has been provided. I say this because there is no breakdown offered in respect of the relevant goods and services. I note that the applicant has also raised this point in submissions. That being said, I consider it reasonable to infer that the level of use shown in the evidence is still reflective of a sizeable level of use between 2018 and the relevant date for class 18, 25 and 28

[28] LW27
[29] See page 54 of LW9 and some examples of clothing in LW11.

goods. Further, I am of the view that this level of turnover does not simply appear overnight and in light of the supporting evidence, I am of the view that the opponent has sufficiently demonstrated a sizeable level of use prior to 2018. I say this in reliance upon the supporting evidence which confirms the opponent's presence in the UK via a flagship store in London from 2011 onwards as well as its app which had almost 700,000 downloaded by 2022. Additionally, I remind myself that the opponent began advertising in the UK in 2009 and, over the years, has engaged in various collaborations with celebrities and other brands. Lastly, I remind myself that the evidence includes a range of press coverage that suitably demonstrates the high level of demand for the opponent's goods in the UK. All of this evidence points to the fact that while the opponent has not provided turnover figures for the years leading up to 2018, I consider it reasonable to infer that its turnover would have been at a suitable level for a number of years before that date. As such, I consider that the use shown before me is longstanding.

94. In addition, I remind myself that a reputation can be found to exist outside of the simple reference to turnover figures. Therefore, even if the turnover discussed above was found to be of lower significance in the relevant markets (which are likely to be large), my view is that the evidence, as a whole, points towards the fact that the opponent's brand is one that is highly desirable, popular and sought after by a significant part of the relevant public. I say this because the opponent's brand was, in 2011, listed as the second-best streetwear brand in a UK publication. Further, the evidence demonstrates that there is a high level of interest and hype surrounding new launches of the opponent's 'Supreme' products in the UK. I say this in reliance upon the press articles shown in evidence that describe the demand for the opponent's latest releases in the UK. Further, I also remind myself that the narrative evidence that confirms that the opponent's products commonly sell out in hours, if not minutes. Given that the evidence is (1) accompanied by a statement of truth, (2) unchallenged and (3) clearly supported by the press coverage, I have no reason to doubt these comments.

95. Taking all of the evidence into account and bearing in mind all that I have said above, I hereby find that the opponent's Supreme marks, as at the relevant date

(being 7 July 2023), enjoyed a reputation in the UK. That being said, I remind myself that the opponent relies on a very wide range of goods and services and I do not consider that my finding of a reputation extends to all of these. On this point, I am of the view that evidence pays particular attention to skateboarding, generally, as well as clothing, footwear, hats and bags and the retail of the same.[30] In respect of the clothing, hats and bags, I note that the evidence covers a wide range of different types of such goods. Further, the turnover figures provided are expressly said to relate to goods in classes 18, 25 and 28, being the classes that cover the aforementioned goods. In light of this clear focus and the sprawling range of clothing, hats and bags covered by the evidence, I am satisfied that the opponent's reputation vests in such goods and the retail of the same.

96. In considering the specifications before me and the evidence as filed, I consider it reasonable to conclude that my finding of the existence of a reputation is such that the opponent enjoys a reputation in the following goods and services that are spread across its various registrations' specifications.

The opponent's second registration

Class 28: Skateboards and their parts and accessories, namely, skateboard wheels and skateboard trucks.

The opponent's third registration

Class 25: Clothing, footwear, headgear.

The opponent's fourth registration

Class 18: All-purpose sports and athletic bags; carry-on, duffel, gym, shoulder and travel bags; fanny packs; backpacks; satchels.

[30] While the opponent initially sold goods via third party stores, the evidence in more recent years suggests that the retail of the opponent's goods solely came via services provided by the opponent itself via its physical store, website or app.

Class 28: Skateboard decks.

Class 35: Retail services connected with the sale of all-purpose sports and athletic bags, carry-on bags, duffel bags, gym bags, shoulder bags, travel bags, fanny packs, backpacks, satchels, clothing, footwear, headgear.

97. Given the extensive nature of the evidence before me regarding the 'Supreme' brand and the attractive force associated with the same, I am content to conclude that the marks in the opponent's registrations enjoy strong reputations in respect of the goods and services listed in the preceding paragraph. An additional point I consider necessary to address is that while the word 'Supreme' obviously dominates the marks at issue and that the stylisation used is somewhat banal, I consider that the repeated and prominent use of this stylisation and colour scheme across all of the evidence is such that a degree of the reputation can be said to vest in both the overall get up of the marks as well as the colour used. On this point, I again refer to the evidence which is clear in that the opponent's brand is one that is highly sought after and one that attracts a significant amount of hype.

Link

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

<u>The degree of similarity between the conflicting marks.</u>

99. Regardless of whether the marks in the opponent's registrations are presented in black and white or red and white, I consider that the findings I reached in my assessment of the mark under the section 5(2)(b) ground apply here, namely that the marks are visually similar to at least a medium degree, aurally similar to a low degree and conceptually dissimilar.

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.

100. The applicant's goods and services cover those in class 34 and 35. While I conducted a comparison of goods under the section 5(2)(b) ground, those goods relied upon by the opponent in that ground are not at play here.

101. I do not intend to conduct a full goods and services comparison between all of the goods and services at issue, however, I confirm that I have considered the criteria set out in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,* Case C-39/97 and in the *Treat* case, [1996] R.P.C. 281 and conclude that all of the applicant's goods and services (other than "provision of an online marketplace for buyers and sellers of goods and services") differ in nature, method of use, purpose and trade channels. Further, they are not competitive in nature and neither are they complementary to each other. Even though there may be an overlap in user, this is not sufficient to warrant a finding of similarity between them. Therefore, I find that all goods and services (save for "provision of an online marketplace for buyers and sellers of goods and services") are dissimilar.

102. As alluded to above, there is one term in the applicant's specification, being "provision of an online marketplace for buyers and sellers of goods and services" that can be said to be similar to the opponent's reputed retail services. Firstly, the opponent's retail services are broad enough to cover online retail services and, secondly, the applicant's term is not limited so it may cover the provision of an online marketplace for buyers and sellers of goods covered by the opponent's reputed service. As a result, both services cover websites that consumers will access in the ordinary way for the purpose of buying goods. As such, I consider that while the overlaps may not be clearly pronounced, the services do overlap in nature, method of use and purpose. Further, the services will be sought by the same user and provided by the same trade channels. I make the latter point on the basis that it is reasonable to conclude that a provider of an online retail store may

also offer an online marketplace, or vice versa. Lastly, the services may also be competitive in nature as a consumer looking to purchase something online may choose to do so via a direct retail service or via a marketplace. Taking all of this into account, I find that these services are similar to at least a medium degree.

103. While the majority of the goods and services may be dissimilar, I have set out above that goods and services do not need to be similar in order for the present ground to succeed. On this point, I remind myself that the majority of the goods and services at issue will be selected by the same section of the relevant public, being the general public at large, meaning that it can be said that there is some degree of closeness between them.[31] For the avoidance of doubt, if I am wrong to have found similarity between the services discussed in the preceding paragraph, then on this same basis I consider that there remains a degree of closeness between them.

104. The above being said, I am of the view that the following services of the applicant will be targeted solely at business users, therefore, putting more distance between them and the opponent's reputed goods and services. These services are as follows:

> "Business management and organization consultancy; commercial administration of the licensing of the goods and services of others; providing business information; import-export agency services."

<u>The strength of the earlier marks' reputation.</u>

105. I have found that the opponent's registrations enjoy a strong reputation.

[31] On this point, I wish to clarify that the services of "advertising", "outdoor advertising", "online advertising on a computer network", "presentation of goods on communication media, for retail purposes" and "marketing" are all broadly worded to the point that a member of the general public could reasonably seek the same. For example, a member of the general public may seek to advertise or market their goods or services that they wish to sell (be that online, in newspapers or on billboards) or present goods for retail purposes, be that via a service that displays goods for sale via online marketplaces (which would cover a form of 'communication media').

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

106. Above, I found the opponent's registrations to be distinctive to between a low and a medium degree. Having said that, the use before me (being that which I have assessed above) is such that I am minded to find that the registrations enjoy a high degree of enhanced distinctive character. For the avoidance of doubt, while the stylisation used may be fairly banal (and I acknowledge that, inherently, the stylisation/colour scheme does not contribute to the mark to any sufficient degree), the frequency and consistency of use of the marks in the registrations in this contrasting style throughout the evidence is such that it leads me to find that a degree of enhanced distinctiveness does lie in the stylisation used and not just the word 'Supreme'.

Whether there is a likelihood of confusion

107. I have found that there is no likelihood of confusion between the marks at issue in respect of goods that are identical or similar to, at best, between a low and a medium degree. In the present ground, I consider that the same finding applies. As for the remaining goods and services which are dissimilar, I appreciate that the present ground offers a greater degree of protection for reputed marks (in that there can be confusion for dissimilar goods). However, notwithstanding the similar get ups and colour scheme across the marks (which may call to mind the marks in the opponent's registrations), I find that the difference in the word elements of the marks (being 'Supreme' and 'Supbar') is such that there would be no likelihood of either direct or indirect confusion.

Conclusions on link

108. In considering the issue of a link, I consider it necessary to discuss the fact that the applicant's mark is a figurative word that is registered in white on a contrasting black background. Notional and fair use of the same means that 'Supbar' may be presented on a red background, being the same as the marks in the opponent's

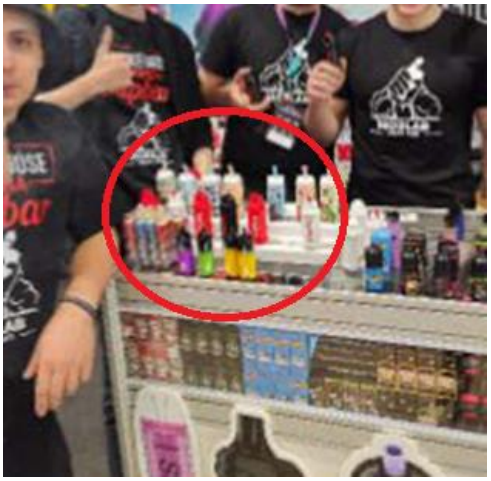
registrations. In addition, I refer to the evidence of the opponent which sets out that, at an exhibition in May 2023 (being prior to the relevant date), the applicant demonstrated a range of its e-cigarettes'.[32] Images from the event are set out below:

109. In addition, there is an event that took place in Dubai which shows the following stand:[33]

[32] See page 218 at LW29
[33] See page 282 at LW29

110. The image from the Dubai event appears to have been posted on 24 June, presumably 2023 (on the basis that the evidence is dated 2023, it cannot be from after that year). As such, I am willing to treat the above image as being from prior to the relevant date.

111. If I am wrong to consider that the image from the Dubai event is from prior to the relevant date, I consider it reasonable to find that the goods shown on the stand within the first image from the May 2023 event, include those set out in the second image below (being those that are shown at a later stage in the evidence via website printouts dated 27 November 2023):[34]



112. Even taking into account the fact that the majority of the evidence of the applicant's use of its mark is taken via screenshots of webpages that were accessed on 27 November 2023, this is just four months after the relevant date. In my view, it is reasonable to conclude that, on balance, the use shown above of 'Supbar' in white on a red background and on an e-cigarette/vape device was either already in place at the relevant date or, at the very least, the applicant had taken firm steps towards such use at that time.

[34] See pages 283 to 290 at LW29

113. I bring up the applicant's use of its mark here because it is relevant to the issue of the present ground in light of Tribunal Practice Notice 1/2014 ("the TPN") which discusses the relevance of colour to a mark registered in black and which is used extensively in a particular colour or colours. The TPN is as follows:

"1. The judgement of [the CJEU] in Case C-252/12, *Specsavers International Healthcare Limited and Others v Asda Stores Limited* indicates that:

> "Article 9(1)(b) and (c) of Regulation No 207/2009 must be interpreted as meaning that where a Community trade mark is not registered in colour, but the proprietor has used it extensively in a particular colour or combination of colours with the result that it has become associated in the mind of a significant portion of the public with that colour or combination of colours, the colour or colours which a third party uses in order to represent a sign alleged to infringe that trade mark are relevant in the global assessment of the likelihood of confusion or unfair advantage under that provision.
>
> Article 9(1)(b) and (c) of Regulation No 207/2009 must be interpreted as meaning that the fact that the third party making use of a sign which allegedly infringes the registered trade mark is itself associated, in the mind of a significant portion of the public, with the colour or particular combination of colours which it uses for the representation of that sign is relevant to the global assessment of the likelihood of confusion and unfair advantage for the purposes of that provision."

2. The judgment concerns Community trade marks and proceedings under Community Trade Mark Regulation 207/2009. However, it is applicable, by analogy, to the interpretation of the corresponding provisions of the Trade Mark Directive, and therefore to the interpretation of national law implementing those provisions.

3. The CJEU judgment relates to the relevance of colour to a mark registered in black and white but used extensively in a particular colour or colours. It confirms that such use of colour may be taken into account as a relevant factor when considering the likelihood of confusion, detriment or unfair advantage being taken of the registered black and white mark.

4. The judgment also confirms that the established use of a later mark in a particular colour or colours may also be taken into account when assessing such matters in the context of infringement.

5. These findings may be applicable, by analogy, to opposition and cancellation proceedings before the Office based on grounds under s.5(2) and/or 5(3) of the Trade Marks Act 1994.

6. Unlike in infringement proceedings, the Registrar is required to consider the likelihood of confusion "in all the circumstances in which the mark applied for might be used if it were to be registered". See Case C-533/06, *O2 Holdings v Hutchison 3G* UK at paragraph 66. Consequently, where the earlier mark is registered in colour, or colour is established as forming part of the distinctive character of the earlier mark (even though it is registered in black and white), the potential or actual use of the later mark in the same colour(s) will be considered to be a relevant factor.

7. The colour(s) in which the later mark has or could be used will also be considered to be a relevant factor when assessing whether a later mark takes unfair advantage of an earlier mark of repute.

8. Because the Registrar's enquiry covers all normal and fair future potential uses of the later mark the Registrar takes the position that evidence of the existing use of the later mark in different colour(s) to those in which the earlier mark has been registered, or used, is not a relevant factor when assessing the likelihood of confusion.

9. In the Registrar's view, the CJEU's judgment does NOT mean that colour should be taken into account where the earlier mark has been registered in black and white but either i) has not been used or ii) has been used in colour(s), but the extent and consistency of such use is not such that the colour(s) formed part of the distinctive character of the earlier mark at the relevant date. In these circumstances, colour will be regarded as irrelevant. Only the marks on the register, or proposed to be added to the register, will be compared."

114. While some of the marks in the opponent's registrations are registered in red and white and others are registered in black and white, the evidence before me is clear in that the opponent has been consistently using this particular arrangement of colours (being red and white) since it began trading in the 1990s.[35] Further, the opponent's registrations have been shown in evidence to have been enhanced through use to a high level (and I remind myself that this finding does cover the stylisation/colour scheme used). Thus, the particular colours in the marks in the opponent's registrations have been established as forming part of their distinctive character. As per the TPN above, how the applicant uses its mark (i.e. the same colour) is relevant to the consideration as to whether there exists a link as well as detriment or unfair advantage between the marks.

115. In *Starbucks Corp v EUIPO*, Case T-398/16, the GC considered the application shown below for 'services for providing drinks':

The earlier mark which formed the basis of the opposition under the Article 8(1)(b) of the EU Trade Mark Regulations, equivalent to section 5(2)(b) of the UK Act, was:

[35] As evidenced not only by the products shown in evidence but via packaging, carrier bags and the marks shown on both its online stores and physical retail stores.

116. This earlier mark is registered for ‘café, cafeteria, snack bar, coffee bar and coffee house’ services, which were found to be identical to the services of the application. The Court reviewed the similar structure of the marks and stated:

> “52 Secondly, the similarity linked to the general appearance of the signs at issue is strengthened, first, by the use of the same colours, black and white, which highlight the central element, the band which surrounds it and the elements reproduced in that band, and, secondly, by the use of the same font for the word elements ‘starbucks coffee’ and ‘coffee rocks’. That equivalence, which is also shown by the positioning of the various abovementioned elements, contributes towards giving the impression that the marks at issue are based on the same structure.
>
> 53. Furthermore, as the applicant observes, the trade mark application seeks protection in respect of a composite figurative sign which does not refer to any colour in particular. That sign’s user could therefore, as EUIPO acknowledged at the hearing, use it in the colour of its choice, including in the black, green and white shades of the earlier EU trade marks No 5671938 and No 689786 and the earlier United Kingdom trade mark. The protection of a trade mark which does not refer to any colour in particular is extended to all colour combinations as from the time when the mark is registered (see, to that effect, judgment of 18 June 2009, LIBRO v OHIM — Causley (LiBRO), T-418/07, not published, EU:T:2009:208, paragraph 65).”

117. As I have already mentioned, the applicant's mark not only notionally covers all colours, but is actually used in the same colours as the marks in the opponent's registrations and is presented using the exact same get up.

118. Taking all of the above into account, I am of the view that when consumers are confronted with the applicant's mark, they would call to mind the reputed earlier marks in the opponent's registrations. For the most part, the goods and services are dissimilar and I remind myself that there does not need to be a degree of similarity between the goods and services for a link to exist. On this point, I appreciate that I have found there to be a degree of closeness between the majority of goods and services at issue on the basis that they are goods and services that will be sought by the same sections of the relevant public. However, I have found that some services will be selected exclusively by business users so, therefore, they do not share a degree of closeness.

119. Dealing with the ordinary consumer targeted goods and services first, it is my view that the issue as to the dissimilar nature of the goods and services will be overcome by the fact that not only do the opponent's registrations enjoy a strong reputation and a high degree of distinctive character but, as set out above, the applicant's mark is capable of use, and has been shown in evidence as being used, in the same get-up and colour scheme as that used by the opponent's reputed marks. In addition, the shared use of the first three letters, being 'S-u-p' and the same colour contrast and typeface will also assist the consumer in making a link between the goods and services. For the avoidance of doubt, this same finding applies to those services I have found to be similar but I repeat what I have above in that if I am wrong to find similarity, then the degree of closeness that remains between them and the opponent's reputed services is such that a link will still be made.

120. I turn now to the services of the applicant's mark that are aimed exclusively at business users. In short, I consider that regardless of the size of the reputation or the level of distinctiveness, the disparate consumer bases are such that there would be no link between the reputed goods and services of the opponent and the

business facing services of the applicant. As a result, I do not consider that there exists a link between the opponent's reputed marks and the following services of the applicant:

> "Business management and organization consultancy; commercial administration of the licensing of the goods and services of others; providing business information; import-export agency services."

121. As a result, I find that the opposition under the present ground against these services fails at this stage.

Damage

122. The opponent has pleaded that use of the applicants' mark would, without due cause, lead to an unfair advantage in favour of the applicant and cause a detriment to both the reputation of the opponent and the distinctive character of the opponent's registrations.

Unfair Advantage

123. I bear in mind that unfair advantage has no effect on the consumers of the opponent's goods and services. Instead, the taking of unfair advantage of the distinctive character or reputation of an earlier mark means that consumers are more likely to select the goods and services of the later mark than they would otherwise have been if they had not been reminded of the earlier mark.

124. In *Jack Wills* Limited *v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded that:

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

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

125. I note that save from making a series of denials in its counterstatement and written submissions, the applicant has been entirely silent about its intentions. As such, I can infer what its intentions were based on the surrounding circumstances. The evidence put forward by the opponent leads me to conclude that the applicant did intend to exploit the opponent's reputation in its registrations. I am of the view that seeking to register a mark which included the same first three letters as those used by the opponent (being 'S-u-p') as well as it being presented in an identical or very highly similar typeface to the reputed marks and then subsequently using it in a white typeface on a red background are factors that point towards a finding that the applicant intended to benefit from the power of attraction and reputation of the opponent's registrations. Such a benefit would exploit, without paying any financial compensation, the marketing effort expended by the opponent meaning that the applicant would find it easier to sell its goods and services because of the familiarity brought about by the reputation of the opponent's registrations. In my view, this applies even where the goods and services are dissimilar (where I found the existence of a link). I say this not only because of the similarity of the get ups of the marks and the levels of distinctiveness and reputation that lie in the opponent's registrations but also based on the clear desirability of the opponent's brand, being one that, as I have discussed throughout this decision, is highly sought after by the relevant public. Again, this is a section of the relevant public that would also seek to buy the applicant's goods and select its services.

126. As a result of the above, I find that the claim to unfair advantage succeeds but only in respect of the goods and services that will be subject to a link being made.

Detriment to distinctive character

127. As damage is made out on the basis of unfair advantage, I do not consider it necessary to go on to consider the opponent's other heads of damage. However, for the sake of completeness, I will briefly consider detriment to distinctive character. In doing so, I refer to the case of *Lonsdale Sports Limited v Erol*, [2013] EWHC 2956 (Ch) wherein Norris J. rejected a claim that there was a likelihood of confusion between the appellant's mark and the respondent's mark. However, he found that:

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

128. It is my view that the presence of the applicant's mark, being one with an identical beginning and the same get up and colour scheme as that of the marks in the opponent's registrations, undoubtedly dilutes the true 'Supreme' brand by putting into circulation products which do not proclaim distinctiveness but rather affinity with a reputable brand. In these circumstances, I consider that there is a serious risk that detriment to distinctive character would occur.

129. While the opposition based upon section 5(3) partially succeeds, I do not intend to summarise the level of success here on the basis that two grounds remain.

130. I will now proceed to consider the section 5(4)(a) ground.

Section 5(4)(a)

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

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

132. Subsection (4A) of Section 5 states:

> "(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application."

133. I remind myself that the opponent relies on the following goods and services in respect of the present ground:

"Lighters for smokers; ashtrays; matches; cigarette lighter holders; retail services in connect with the sale of lighters for smokers, ashtrays, matches and cigarette lighter holders."

134. I can deal with this ground swiftly. I have dealt with the evidence in respect of the goods relied upon here in my assessment of enhanced distinctiveness under the section 5(2)(b) ground at paragraphs 58 to 60 above. In short, I found this evidence far from sufficient to demonstrate that the opponent's use gave rise to a finding of enhanced distinctive character. While I appreciate that the threshold for a finding of goodwill is lower than that for enhanced distinctiveness, I do not consider that this assists the opponent. I say this because, outside of a brief appearance of a range of lighters via online printouts, there is very little in the evidence that covers the relevant goods. For example, the turnover provided is confirmed as relating to goods under other classes and, therefore, is in no way attributable to the relevant goods (or services, for that matter) under this ground. As such, I am unable to determine any actual level of use for the relevant goods. On this point, I do appreciate that the opponent operates a large business operation, however, its focus appears to be primarily on clothing, bags and skateboarding goods. Without any specific focus on the goods or services relied upon here, I am not willing to find that the opponent's business enjoys any goodwill stemming from its use of its signs on the relevant goods/services. As a result, I find that the opponent's reliance upon the section 5(4)(a) ground falls at the first hurdle.

135. For the avoidance of doubt, even if there were goodwill in the opponent's business in respect of the relevant goods and services relied upon here, I do not consider that this ground would have offered any assistance to the opponent. On this point, I note that Lewison LJ, in the case of *Marks and Spencer PLC v Interflora* [2012] EWCA (Civ) 1501, cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that "a substantial number" of the relevant public are deceived, which might not mean that the average consumer is confused. However, considering the Court of Appeal's later judgment in *Comic Enterprises Ltd v Twentieth Century Fox*

Film Corporation [2016] EWCA Civ 41, it seems doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes.[36] This is because they are both normative tests intended to exclude the particularly careless or careful, rather than quantitative assessments. As a result, I consider that even at its best case, the present ground would simply follow the section 5(2)(b) ground, which failed in its entirety.

Section 3(6): legislation and case law

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

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

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

> "68. The following points of relevance to this case can be gleaned from these CJEU authorities:
>
> 1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can

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

be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].

2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].

3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacilik* at [45].

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

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

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

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is

for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

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

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

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

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

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

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

138. An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard

applies (i.e. balance of probability). This means that it is not enough to establish facts which are as consistent with good faith as bad faith: *Red Bull*.

139. I remind myself that the opponent's claim under this ground is that the applicant's mark has been deliberately designed to confuse itself with the opponent's various registered and unregistered marks as it comprises of the same stylised font. The opponent argues that it is, therefore, inevitable that when filing for its mark, the applicant was fully aware of the earlier marks (registered or not) and the opponent's commercial success in the UK. The opponent claims that the applicant's intention is to deceive, confuse and mislead consumers into thinking that its products are provided or authorised by the opponent. The opponent's position is that this demonstrates a bad faith attempt to wrongfully associate the applicant and its goods and services with the opponent when no such association exists.

140. In response to the present ground, the applicant argued in its counterstatement that the way in which the opponent has pleaded its bad faith claim is insufficient. While noted, I am of the view that the opponent's argument can be taken as a claim that the applicant, by designing its mark in the same way as the marks in the opponent's registrations and using the same beginning, intended to gain an unfair advantage by exploiting the reputation of the opponent's well-known name.[37] I note that in response to the opponent's claim and its evidence of how the applicant is using its mark,[38] the applicant simply submitted that the opponent's claim is based purely upon a presumed and vague similarity between the marks and that, further, the opponent has failed to substantiate its claim.

141. I note that the applicant has not denied that it was aware of the opponent's 'Supreme' brand when applying for its mark. Even without tacit acceptance of this point, I consider that it is reasonable to infer that the applicant must have had some degree of knowledge of the opponent, its marks at the relevant date and its

[37] As per *Trump International Limited v DDTM Operations LLC*, [2019] EWHC 769 (Ch), this is a claim that, if supported, is sufficient to give rise to a bad faith finding.
[38] LW29

presence in the UK. I base this conclusion on the fact that I have found the opponent's registrations to not only enjoying a strong reputation in the UK but a high degree of enhanced distinctive character. In my view, it is implausible to suggest that the applicant was not aware of the opponent's branding as at the date of filing its mark. On this point, I remind myself that an applicant's knowledge of an opponent's use of its mark (be that in the UK or not) does not, in itself, point to a finding that the mark must have been filed in bad faith.[39] There must be something more and I will consider this further below.

142. I have mentioned the opponent's evidence in support of the present ground when considering the opponent's claim under the section 5(3) ground. For the sake of completeness, I remind myself that the opponent's evidence in respect of the present ground relates to how the applicant uses its mark.[40] The evidence provides the following examples of the applicant's use:

[39] See the cases of Lindt and Koton (cited above) and *Malaysia Dairy Industries Pte Ltd v Ankenævnet for Patenter og Varemærker* Case C-320/12.
[40] LW29

143. When discussing this evidence above, I set out that the first image is from May 2023 and the second is from June 2023. As for the remaining images, these are undated. On this point (and even if the second image cannot be said to be from June 2023), I remind myself that evidence from after the relevant date can be relevant if it casts light backwards on the position as at that time.[41] In respect of the evidence that is undated or cannot be said to be from prior to the relevant date, I consider it reasonable to conclude that it is capable of pointing to the position as at the relevant date. This is because it is either the case that the applicant was selling goods in this manner at that time or provisions were in place to begin doing so on the basis that, at the very latest, the evidence is from just four months after the relevant date.

144. It is my view that the applicant, by using a white typeface almost identical to the opponent's on a red background is such that, as at the relevant date, it had the intention of using a get-up and stylisation that was identical or very similar to that used by the opponent in its strongly reputed marks. I appreciate that the stylisation used by the opponent isn't unique, however, it is a stylisation that has become well-known. As such, I see no plausible reason for the applicant to use its mark in this manner other than to exploit the reputation of the opponent. Given what I have said throughout this decision in respect of the opponent's reputation, I am of the view

[41] *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited* and others, [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16).

that, on the balance of probabilities, the evidence gives rise to a *prima facie* case to suggest that the applicant intended to take unfair advantage of the opponent's registrations by exploiting their reputation.

145. In order for bad faith proceedings before the Tribunal to succeed (where the ground has been denied by an applicant), it is imperative that the opponent file evidence that gives rise to a *prima facie* case. Once this has been done, it is on the applicant to rebut the same. Failure to do so means that the proceedings in reliance upon that ground must succeed. In the present case, while I do not consider that the opponent's evidence is overwhelming, it does cross the threshold to give rise to a *prima facie* case of bad faith. As set out above, the applicant has only issued a bare denial that the bad faith ground is without merit. It is my view that if seeking to rebut the opponent's claims, the applicant could have offered an explanation as to why it has adopted the same stylisation and colour scheme as the opponent's reputed marks or to provide evidence in response that denied any knowledge of the opponent's brand. These are merely examples and the applicant could have gone beyond them in order to defend its position. Instead, the applicant filed no evidence or reasonable explanations regarding its intentions in filing its mark. As a result, I find that the applicant has failed to rebut the opponent's *prima facie* claim of bad faith. I therefore conclude that the applicant's intention in filing its mark was to exploit the reputation of the opponent's well-known name in order to gain an unfair advantage. I consider that this finding applies to all of those goods and services that the applicant seeks to register and I will explain why in further detail below.

146. Under my section 5(3) assessment, I found that the applicant's mark took unfair advantage of the opponent's reputed registrations in respect of the majority of the goods and services applied for. In respect of those same goods and services, I am of the view that my finding of bad faith readily follows the success of the section 5(3) ground. This is on the basis that I am satisfied that the applicant sought to exploit the reputation of the opponent's registrations in order to take unfair advantage of the same.

147. In respect of the applicant's services that survived the section 5(3) ground, I consider it necessary to set out that I am not bound to reach that same conclusion here. I say this because findings of damage under section 5(3) grounds are constrained only to those goods and services for which a link has been found. This is not the case here as I am required to consider the applicant's intention in filing its mark for all goods and services as opposed to being bound to find an intention to take unfair advantage only where a link exists. In respect of the present ground, I appreciate that a finding of bad faith does not automatically apply to all of the goods and services at issue.[42] That being said, regardless of any perceived distance between the opponent's reputed goods and services and the applicant's class 35 services (that survived that section 5(3) ground),[43] I fail to see how the applicant, in applying for (and using) its mark, was not seeking to take unfair advantage of the opponent's reputed marks in respect of everything it sought protection for. In making this finding, I rely on the fact that, as above, the applicant has been found to have attempted to exploit the opponent's reputation by applying for a mark that not only utilises the same typeface and get-up as that used by the opponent in its reputed marks but one that has been used in the same colour scheme as the one used repeatedly by the opponent for many years. In my view, all of these factors (together with the applicant's failure to explain its reasons for applying for its mark) are sufficient to warrant a finding that the entirety of the application was filed in bad faith.

148. Taking all of the above into account, I hereby find that the applicant's mark is objectionable under section 3(6) of the Act.

CONCLUSION

149. The opposition has succeeded in full and, subject to any successful appeal of my decision, the applicant's mark is refused for all of the goods and services for which protection was sought.

[42] See paragraph 53 of *ZIGONG LANTERN GROUP* (Case BL O/0364/24)
[43] Being the factor that pointed away from there being a link between the marks at issue.

COSTS

150. As the opponent has succeeded in opposing the applicant's mark, it is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 1/2023. In the circumstances, I award the opponent the sum of £1,600 as a contribution towards its costs. The sum is calculated as follows:

Preparing a notice of opposition and considering the counterstatement in response:	£400
Preparing evidence and filing written submissions:	£1,000
Official fees:	£200
Total:	**£1,600**

151. I hereby order Shenzhen adwell Technology Co., Ltd. to pay Chapter 4 Corp d.b.a. Supreme the sum of £1,600. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 30th day of October 2024

A COOPER
For the Registrar

ANNEX

The opponent's first registration

Class 34

Lighters for smokers.

The opponent's second registration

Class 14

Jewellery; necklaces; rings; earrings; watches; Key chains; Stopwatches; Pins being jewellery; Ornamental lapel pins.

Class 16

Stickers; Writing Instruments; Pens; Pencils; Markers; books; magazines; posters; General purpose plastic bags.

Class 21

Valet trays for household purposes; thermal insulated containers for food or beverages; flasks; dishes; bowls; incense burners; pet drinking bowls; mugs; drinking glassware namely drinking glasses and cups; water bottles sold empty; bottle openers.

Class 28

Skateboards and their parts and accessories, namely, knee pads for skateboarding, skateboard wheels, skateboard paddles, skateboard trucks and grip tape for skateboards; games; jigsaw puzzles; pinball machines; video games; pool cues; toys; stuffed animals; radio-controlled cars; model cars; balls; toy guns; snow sleds for recreational use; flying discs; jump ropes; action figures and dolls.

Class 34

Lighters; Ashtrays; Matches; Cigarette lighter holders.

The opponent's third registration

Class 25

Clothing, footwear, headgear; clothing, namely, shirts, t-shirts, long-sleeved shirts, under shirts, polo shirts, rugby shirts, jerseys, dress shirts, denim jeans, hooded sweat shirts, warm-up suits, snow suits, parkas, cardigans, pants, jean jackets, cargo pants, shorts, boxer shorts, tops, tank tops, sweat shirts, sweat jackets, sweat shorts, sweat pants, sweaters, vests, fleece vests, pullovers, jackets, coats, blazers, suits, turtlenecks, reversible jackets, wind-resistant jackets, shell jackets, sports jackets, golf and ski jackets, heavy coats, over coats, top coats, swimwear, beachwear, visors, headbands, ear muffs, thermal underwear, long underwear, underclothes, caps, hats, knit caps, headwear, scarves, bandanas, belts, neckwear, ties, robes, gloves, boots, rainwear, footwear, shoes and sneakers; women's, children's and infant's wear, namely shirts, t-shirts, long-sleeved shirts, under shirts, jerseys, dress shirts, denim jeans, hooded sweat shirts, wraps, warm-up suits, parkas, cardigans, pants, jean jackets, shorts, tops, tank tops, sweat shirts, sweat jackets, sweat shorts, sweat pants, sweaters, vests, pullovers, jackets, coats, reversible jackets, wind-resistant jackets, shell jackets, sports jackets, golf and ski jackets, heavy coats, over coats, top coats, swimwear, beachwear, visors, headbands, ear muffs, thermal underwear, long underwear, underclothes, caps, hats, headwear, scarves, bandanas, belts, pajamas, sleepwear, gloves, boots, rainwear, footwear, shoes and sneakers; dresses; skirts; blouses; robes; children's and infant's polo shirts; children's and infant's rugby shirts; children's and infant's snow suits; children's and infant's cargo pants; infant body suits.

The opponent's fourth registration

Class 18

All-purpose sports and athletic bags; beach, book, carry-on, duffel, diaper, gym, leather shopping, shoulder, tote and travel bags; fanny packs and waist packs; backpacks; knapsacks; purses; garment bags for travel; satchels; luggage; luggage tags; trunks; suitcases; hat boxes for travel not of paper or cardboard; cosmetic cases and bags sold empty; toiletry and vanity cases sold empty; tool bags sold empty; attaché cases; briefcases; briefcase-type portfolios; document cases; men's clutches;

business cases; business card cases; calling and credit card cases; key cases; leather key chains; wallets; bank note holders; billfolds.

Class 28

Skateboard decks.

Class 35

Retail services connected with the sale of all-purpose sports and athletic bags, beach bags, book bags, carry-on bags, duffel bags, diaper bags, gym bags, leather shopping bags, shoulder bags, tote and travel bags, fanny packs and waist packs, bacpacks, knapsacks, purses, garment bags for travel, satchels, luggage, luggage tags, trunks, suitcases, hat boxes for travel not of paper or cardboard, cosmetic cases and bags sold empty, toiletry and vanity cases sold empty, tool bags sold empty, attaché cases, briefcases, briefcase-type portfolios, document cases, men's clutches, business cases, business card cases, calling and credit card cases, key cases, leather ket chains, wallets, bank note holders, billfolds, skateboard decks, clothing, footwear, headgear, clothing, namely, shirts, t-shirts, long-sleeved shirts, under shirts, polo shirts, rugby shirts, jerseys, dress shirts, denim jeans, hooded sweat shirts, warm-up suits, snow suits, parkas, cardigans, pants, jean jackets, cargo pants, shorts, boxer shorts, tops, tank tops, sweat shirts, sweat jackets, sweat shorts, sweat pants, sweaters, vests, fleece vests, pullovers, jackets, coats, blazers, suits, turtlenecks, reversible jackets, wind-resistant jackets, shell jackets, sports jackets, golf and ski jackets, heavy coats, over coats, top coats, swimwear, beacwear, visors, headbands, ear muffs, thermal underwear, long underwear, underclothes, caps, hats, knit caps, headwear, scarves, bandanas, belts, neckwear, ties, robes, gloves, boots, rainwear, footwear, shoes and sneakers, women's, children's and infant's wear, namely shirts, t-shirts, long-sleeved shirts, under shirts, jerseys, dress shirts, denim jeans, hooded sweat shirts, wraps, warm-up suits, parkas, cardigans, pants, jean jackets, shorts, tops, tank tops, sweat shirts, sweat jackets, sweat shorts, sweat pants, sweaters, vests, pullovers, jackets, coats, reversible jackets, wind-resistant jackets, shell jackets, sports jackets, golf and ski jackets, heavy coats, over coats, top coats, swimwear, beachwear, visors, headbands, ear muffs, thermal underwear, long underwear, underclothes, caps, hats, headwear, scarves, bandanas, belts, pajamas,

sleepwear, gloves, boots, rainwear, footwear, shoes and sneakers, dresses, skirts, blouses, robes, children's and infant's polo shirts, children's and infant's rugby shirts, children's and infant's snow suits, children's and infant's cargo pants and infant body suits.

The opponent's fifth registration

Class 25

Clothing; lounge wear; shirts; polo shirts; t-shirts; tank tops; sleepwear; pyjamas; pyjama tops; pyjama bottoms; sweatshirts; hoodies; undershirts: underwear; loungewear; tracksuits; tracksuit tops; tracksuit bottoms; track jackets; boxer shorts (namely underwear); briefs (namely underwear); tops; track tops; sweaters; jumpers; socks; vests; jackets; coats; parkas; gloves; jerseys; blazers; pullovers; suits; belts ; wraps; dresses; shorts; robes; bathrobes; trousers; pants; jeans; skirts; cardigans; scarves; ties; headgear; caps; baseball caps; trucker caps; hats; beanies; footwear; trainers; sneakers; flip-flops (footwear); boots.