O-120-16

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 3089502
BY
ZAKARIYA WASEEM BUTT

TO REGISTER THE TRADE MARK

UGLY KID CLOTHING UK

IN CLASS 25

AND

THE OPPOSITION THERETO
UNDER NO 404233
BY
MARK BAJADE

BACKGROUND

1. On 15 January 2015, Zakariya Waseem Butt (the applicant) applied to register the above trade mark which is registered as follows in class 25 of the Nice Classification system[1]:

> T-SHIRT; SHIRTS; LONG SLEEVE TOPS; HOODIES; TROUSERS; JEANS; PANTS; JACKETS; JUMPERS; SWEATERS; HATS; CAPS; FOOTWEAR; COATS; BLOUSE; SHORT SLEEVE TOPS; POLO SHIRTS; CLOTHING; FOOTWEAR; HEADGEAR.

2. The application was published on 30 January 2015, following which Mark Bajade (the opponent) filed a notice of opposition against the application. The opposition is brought in respect of all of the applicant's goods.

3. The opposition is based on sections 5(2)(b) and 3(6) of the Trade Marks Act 1994 (the Act). The opponent relies upon the following UK Trade Mark (TM) registration in respect of his opposition under section 5(2)(b):

Mark details and relevant dates	**Goods relied upon**
TM: 2492146 **Mark:**  **Filed:** 7 July 2008 **Registered:** 21 November 2008	**Class 25** T-Shirts, Hoodies, Hats

4. In its statement of grounds, with regard to section 5(2)(b), the opponent states:

> *"2. The earlier mark consists of the stylised words THE UGLY KIDS CLUB together with a figurative element. The mark applied for consists of the words UGLY KID CLOTHING UK. The marks share the identical and near-identical word elements UGLY and KID/KIDS.*

[1] *International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).*

3. The goods in Class 25 covered by the mark applied for are identical or similar to the goods covered by the Opponent's earlier trade mark registration.

4. In light of the similarity between the respective marks and goods, there exists a likelihood of confusion on the part of the public."

5. With regard to the opposition under section 3(6) the opponent states:

"7. The Applicant has applied to register a mark which is highly similar to that of the Opponent in full and informed knowledge of the registration and use of the Opponent's earlier mark. The Applicant's actions do not, therefore, adhere to acceptable behaviour which ought to be observed by reasonable and experienced persons in the clothing industry."

6. The applicant filed a counterstatement on 12 May 2015. He accepts that the goods applied for in class 25 are identical or similar to the goods covered by the Opponent's earlier trademark registration. With regard to the parties' marks the applicant states:

"1. I agree that the marks share either the identical or near identical word elements UGLY and KID/KIDS. However, the earlier mark consists of the stylised words THE UGLY KIDS CLUB together with a figurative element, in this case a bird flying in the air with a semi-circle beside. I feel looking at the two marks the earlier mark gives the visual impression of a club for children and in no way refers to clothing, footwear or headgear. Whereas my application on visual inspection clearly indicates clothing…

3. I agree that even though the marks are similar in certain words and Classification, I disagree that this would lead to any confusion on the part of the public. Due to my trademark application clearly indicating clothing..."

7. The applicant requests that the opponent provide proof of use, *"including the stylised words and figurative element."*

8. Both sides filed evidence, neither side asked to be heard and both filed written submissions in lieu of attendance at a hearing.

EVIDENCE

The opponent's evidence

Witness statement of Mark Bajade and Exhibits MB1 – MB15

9. Mr Bajade is the co-founder of 'The Ugly Kids Club' which he states was created in 2006 as a 'creative collective' dealing in educational services and workshops. He states that in 2008 the "primary business focus changed to clothing and we therefore applied to register our logo trade mark in the UK."

10. With regard to the nature of use, Mr Bajade states:

"5. The stylised trade mark THE UGLY KIDS CLUB has been used within the relevant period for a variety of clothing items, including t-shirts, hoodies

and hats. The trade mark has primarily been used on the inside label of the items of clothing and as attached swing tags, but it has also featured as a stand-alone image printed onto clothing and hats.

6. The majority of the sales of clothing under the mark THE UGLY KIDS CLUB have taken place through an online store at www.theuglykidsclub.com since around April 2007. However, the business has also operated a pop up store in Camden, London from August-September 2009 and various stalls at festivals including Nassfest and Glastonbury…

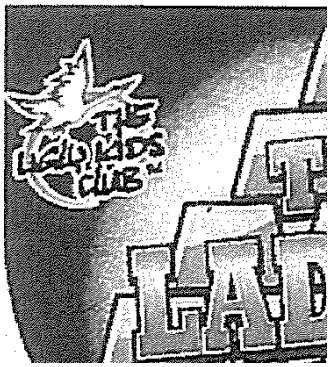
7. Sales of clothing under the trade mark THE UGLY KIDS CLUB continued until 2011, when use ceased for a brief time. Since taking over responsibility for the business in 2011 and acquiring the trade mark registration from my business partner Alan Foley, I have made significant efforts to bring the trade mark back into use in the UK for clothing."

11. Mr Bajade states that clothing bearing the trade mark THE UGLY KIDS CLUB has been sold at the following UK retail outlets:

- Nike 1948 store, Shoreditch
- Urban Junction, Croydon
- Sneaker, Ilford
- State of Mind, Edinburgh
- Chrome and Black, Bethnal Green

12. Exhibit MB1 is taken from www.theuglykidsclub.com. The page is not dated, though the latest blog entry on the page is dated 25 July 2009. The top right corner of the page shows the trade mark as registered, underneath which is a list of stockists. Four are listed but only two of them are clear enough to be read. They are 'Chrome & Black' and 'Sneaker'.

13. Exhibit MB2 is described by Mr Bajade as 'items of clothing sold in 2010 and 2011 under the trade mark'. The first page shows a t-shirt with a fruit machine design on the front, with the words 'THE LADDER OF SUCCESS' at the top. A close-up underneath shows the mark, as registered, in the top left of the design, as shown below:



14. Pages 3 and 4 of the exhibit contain four photographs. The first is a repeat of the close up of a fruit machine design on a t-shirt. The second, third and fourth photographs are copyright dated 2010 and show t-shirts with swing tags and sew-in

labels which feature the trade mark, as registered. The remaining pages show a hat, which has ROLLIN on the front, two t-shirts with UKC on the front (the neck label is too faint to make out) and a t-shirt with the words UGLY KIDS and CLUB presented with each word in a different rectangle (shown below):

15. Exhibit MB3 is a press release. The bottom of the page has a 20% off voucher for use at www.theuglykidsclub.com and has an expiry date of 31.8.10. The top left of the page shows THE UGLY KIDS CLUB mark as registered. The headline states, ‘ROLL WITH THE UGLY, NEW RELEASE, SUMMER 2010’. Eight photographs of t-shirts and hoodies are shown. Each has the words ‘ROLL WITH THE UGLY’ on the front and in much smaller text underneath the design are the words, ‘THE UGLY KIDS CLUB’. The supporting text states that they are available from the website at £25 and £50.

16. Exhibits MB4 and MB5 are described as invoices from 2010 and 2011 showing sales of clothing under the brand THE UGLY KIDS CLUB. All of them have been printed from a *PayPal* account held in the name of THE UGLY KIDS CLUB. Seven invoices are provided for 2010[2] and ten are submitted for 2011; they are dated between 19 May 2010 and 18 March 2011. The clothing items are not described as THE UGLY KIDS CLUB goods but twelve of the invoices refer to 'Roll With the Ugly' and 'Ladder to Success' T-shirts, hoodies and hats of the type shown in the previous exhibits.

17. Exhibit MB6 consists of two flyers for London events which occurred in May 2010. The first is STREETFEST which took place on 30 May 2010 in Shoreditch. A list of DJs is provided on the left of the flyer while on the right is a list of traders at the STREET FEST MARKET. Sixteen logos are shown, one of which is THE UGLY KIDS CLUB trade mark as registered. The second flyer is for SKATE COLLECTION which took place on 2nd and 3rd May 2010. The event is described as a 'unique 2 day event – matching some of London's finest skateboarders with some of the most talented young designers & exciting fashion brands'. Attendees are listed under two headings, DJs and Artists. UGLY KIDS CLUB is listed under the 'Artists' heading.

18. Exhibit MB7 is an invitation for an event which took place during London Fashion Week in 2010. The invitation shows four logos, one for each of the hosts. The Ugly Kids Club logo as shown in the trade mark is the second one listed on the invitation. A review of the event was published online in *THE DAILY STREET* on 27 February 2010 and reads as follows:

> *"On Wednesday, a few of London's independent brands got together to put on a one off showcase event in the basement of Soho House. The Ugly Kids Club, Smut Clothing, Lou Lou Bontemps and more, set up to display and sell their work…*
>
> *The Ugly Kids Club had a bunch of new prints on sale, including a new 'Ladder of Success' print and some majorly limited photographic tees."*

19. In the accompanying photographs a rail of t-shirts is shown. The swing tag on the

[2] *Eight invoices were provided but one was duplicated.*

front shirt has the words ‘UGLY KIDS CLUB’ in bubble style writing. Another photograph on the page shows a shield containing three lion heads with the words, ‘THE UGLY KIDS CLUB’ presented above the image. This appears to be a framed print, though it is not clear where or how this was presented. The image is reproduced below:

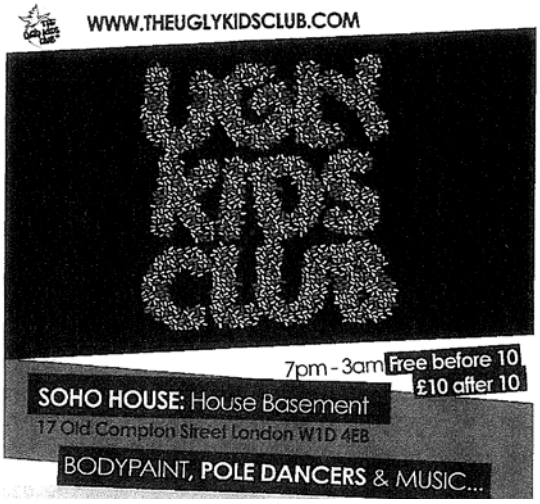
20. Exhibit MB8 is another article from *THE DAILY STREET*, dated 5 March 2010 and titled ‘NEW UGLY KIDS CLUB TEES’. The article shows models wearing six t-shirts. Four of them are the ‘Ladder of Success’ t-shirt pictured at paragraph 13. The remaining two are T-shirts which have a picture frame on the front, inside which is a photograph of a woman wearing a t-shirt. It is not possible to see the details, though one of the t-shirts does appear to have the word ‘kids’ on it.

21. Exhibit MB9 is a flyer from an event at Soho House on 3 July 2010. The entry price of £20 includes a limited edition t-shirt depicted as follows:

22. Mr Bajade describes exhibit MB10 as *"images of the front cover and article featured in RWD magazine dated July 2010 showing an image of The Ugly Kids Club t-shirt."* The article states that the brand featured in a recent streetwear festival held at the Nike 1948 store in London.

23. The copy of the article is small and cannot be read. It is possible to see one of the models is wearing the 'Ladder of Success' t-shirt, though I cannot see any further detail.

24. Exhibit MB11 is described as a flyer for an event hosted by THE UGLY KIDS CLUB. The information on the flyer does not include a date, though Mr Bajade states that the event took place in 2010. THE UGLY KIDS CLUB mark as registered appears at the top left of the flyer and again in a bar at the bottom of the flyer. There are two further versions shown at the top of the flyer (shown below) and in the bottom left corner.[3]



25. Exhibit MB12 is a flyer for an event which took place at the arches in Shoreditch on 27 August 2010. It is described as a night market with 12 independent brands. Ugly Kids Club is listed as one of those brands.

26. Exhibit MB13 is an article from *MOBO* taken from www.mobo.com dated 29 November 2010. The article is an interview with Cee Jay, a designer at The Ugly Kids Club. The photograph which accompanies the article shows a man in a t-shirt with the words UGLY KIDS CLUB on the front. The UGLY KIDS CLUB mark as registered is reproduced to the right of the photograph.

27. The interview highlights a number of celebrity fans of The Ugly Kids Club, including Pharrell Williams, Cheryl Cole and Mariah Carey.

> *"MOBO: How does it feel to have house hold names like Cheryl Cole and Pharrell supporting your work?*
>
> *Cee Jay: Arrrgggghhh man…it was about being in the right place at the right time with Pharrell, but our proudest moment came when I was reading a magazine on a plane and there was an interview with Mariah Carey. One*

[3] *The 'UGLY KIDS CLUB' lettering shown on this flyer would appear to be the design described in evidence as '100s and 1000s'.*

of the questions was 'what can't you leave home without?' her answer was 'I can't leave home without this graffiti hoodie that I got from a London based label called The Ugly Kids Club.'

MOBO: Did you know when you guys were starting out that the Ugly Kids Club would become this big?

Cee Jay: Nah, when we started out we were like 'let's start printing T-shirts', then from there it just grew and grew. Every event we went to we sold our t-shirts and posted pictures on various blogs. It's grown bigger than we ever expected but then again we are still working hard and pushing more. We are trying!"

28. Exhibit MB14 is an article from *FLAVOURMAG* dated 7 October 2010. It is not clear from the print who is being interviewed. I also note that all of the images are missing from the article. With regard to the creation of The Ugly Kids Club, it says:

"What is the Ugly Kids Club?

The Ugly Kids Club is a creative clothing label based out of London that started out as a loose collective of clothing customisers, graffiti artists and designers. Our first T-shirt release was another canvas for us to put our designs out – now our collection consists of tees, sweats and hoods with our creative prints.

Where did the name come from?

It was a catchy, audacious name that has a ring to it and obviously doesn't take itself too seriously, which is us. But truth be told, the founding members of The Ugly Kids Club all shared the unfortunate bad luck of being an ugly duckling as children – bowl cuts and bad dress sense were among some of the unfortunates. We saw that what we were all doing creatively was like us blossoming from being plain old ducks into swans… That's why we adopted the flying swan as our logo.

How do you come up with the designs for your line?

We are inspired by everything and anything that's around us – tattoos, football, food, smoking papers, fruit machines, graffiti, cartoons. Anything from current and popular culture gets regurgitated and remixed with our Ugly twist. Our newest print to the line-up is the '100s to 1000s' print and it goes back to our original love of sweets, cakes and doughnuts."

29. Exhibit MB15 is an article taken from the blog 'randomdetonation'. It is titled, 'Blog Article; Ugly Kids Clothing' and is dated 30 October 2011. It describes the brand ethos in the following terms:

"The Ugly Kids Club release limited edition runs of their t-shirts (50-100 in a maximum of 4 colours) with the conscious decision not to reprint designs – thus making each shirt a highly sought after collector's item.

Inspired by the imaginations and influences of the artists The Ugly Kids Club work with merging London street styles and a fresh new school flavor with an ugly twist. The designs used on The Ugly Kids Club t-shirts take inspiration from graffiti, street and pop art, Saturday morning cartoons and street sub cultures which they present with their own brand of humour and creativity."

The applicant's evidence

Witness statement of Zakariya Waseem Butt and Exhibits ZWB1 – ZWB 20

30. Mr Butt is the applicant. His statement is dated 24 August 2015. The main points shown in Mr Butt's evidence are as follows:

- There were no items of clothing for sale on www.theuglykidsclub.com website when the applicant accessed it on 18 July 2015.

- Evidence provided by Mr Bajade regarding attendance at festivals took the form of two email addresses. They are general festival websites with no reference to The Ugly Kids Club (ZWB2 and ZWB3).

- Stores given by the opponent as stockists of The Ugly Kids Club clothing only stocked the goods before the relevant period.

ZWB10 – Urban Junction	2007-2008
ZWB11 – Sneaker	2008
ZWB12 – State of Mind	2009

ZWB13 – Chrome and Black have never stocked The Ugly Kids Club brand.

- ZWB9 – Nike store confirms that on 29-30 May 2010 The Ugly Kids Club sold their goods at a two day event. The Nike store does not stock The Ugly Kids Club brand.

- The invoices provided by Mr Bajade at MB4 and MB5 total £351.

- ZWB15-ZWB18 are prints relating to the company UKC LONDON LIMITED which show dormant accounts from April 2011-2015.

- The flyers provided by Mr Bajade at MB6 do not show that The Ugly Kids Club clothing was on sale at those events. The second flyer lists The Ugly Kids Club under the heading, 'Artists' and is more likely to refer to graffiti art than the sale of clothing.

- MB7, MB9, MB11, MB12 all refer to events for which no proof of sales at that event is provided by the opponent.

- MB8, which shows the launch of a new range of The Ugly Kids Club t-shirts on The Daily Street, corresponds to the Paypal receipts which total £315. This is not sufficient to show proof of use in the relevant five year period.

- ZWB19 and ZWB20 show The Ugly Kids Club *twitter* and *facebook* pages. The

logo shown on the pages is not the mark as registered. It is three entwined letters, U, K and C.

- Mr Bajade has shown no sales of footwear and no headgear showing the registered trade mark. There is no evidence of use on polo shirts, jackets, hoodies, sweaters, jumpers, shirts, shorts, pants or any children or women's clothing.

31. Mr Butt concludes that the clothing industry in the UK is worth billions of pounds. £351 is not sufficient sales in the relevant five year period and amounts to no more than token use.

The opponent's evidence in reply

Second witness statement of Mark Bajade and Exhibits MB1 – MB5

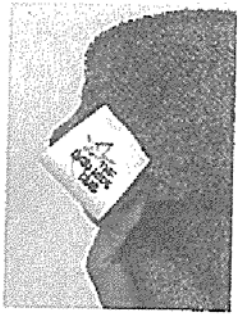
32. In response to the applicant's exhibits regarding his accounts, Mr Bajade submits that UKC London Limited became dormant upon the resignation of his business partner. The UK TM is in Mr Bajade's personal name and accounts for the relevant period were also submitted in his own name.

33. Invoices provided in evidence were sample invoices. Mr Bajade states:

> *"6…Since acquiring the brand from my former business partner I have continued to sell accessories bearing the trade mark THE UGLY KIDS CLUB on the inside labels under the sub-brand ROLLIN to a select group of customers while I worked to bring the main brand back into use. These sales took place via Twitter, Facebook, Instagram and other social media as well as in person to friends, acquaintances and other contacts."*

34. Evidence of further sales is provided at MB1. The first two pages appear to be from spreadsheets. Mr Bajade describes them as 2013 sales of ROLLIN snapbacks (a baseball cap) amounting to £295 and 2014 sales of ROLLIN headwear items at a value of £430.

35. The third page of the exhibit is described by Mr Bajade as promotional images of ROLLIN accessories. Two hats are shown on the page. The first is a 'beanie' hat with a label on the front which has the word ROLLIN on it. The second is a 'fisherman' style hat with a brim, with the word ROLLIN shown on the front of the hat. Photographs on the same page show the insides of both hats which have sew in labels depicting The Ugly Kids Club mark as registered. The page has a print date of 26 October 2015.



36. The following two pages are described as ‘social media activities relating to the sale of the ROLLIN accessories’. Five beanie hats are shown and there are a number of photographs of people wearing snapback caps and of the caps themselves, all of which have ROLLIN on the front. The remaining details and text are not clear enough to read. The page has a print date of 27 October 2015.

37. The last two pages of the exhibit are two invoices. One is dated 30 September 2013 and is for a Rollin snapback cap priced at £20. The other is dated 13 October 2014 and is for a Rollin 5-panel hat priced at £25. The following letterhead is shown at the top of both invoices:

The Ugly Kids Club I UKC London Ltd

38. Exhibit MB2 comprises a number of prints from The Ugly Kids Club *facebook* page. Each post is made by UGLY KIDS CLUB. The image associated with the *facebook* account and shown next to the posts is THE UGLY KIDS CLUB trade mark as registered. The first post is dated 3 April 2011 and states that the shop is closing due to a change of management. There is an option given to join a mailing list.

39. The second post provided in evidence is dated 26 September 2013. It is an announcement that Rollin snapbacks will be available the following day. The next post is dated 28 September 2013 and notifies customers that the red hat has sold out.

40. The following five posts are dated 1-3 October 2014 and announce Rollin goods will be available on 4 October. The sales contact is cee@theuglykidsclub.com.

41. The next two posts are dated 12 March 2015[4] and announce new Rollin beanies are available. The contact given is Holla at info@theuglykidsclub.com. A subsequent post dated 14 October 2015 announces the re-stock of Rollin beanies, available at www.uglykidsclub/shop/.

42. The final post, dated 14 October 2015, announces a new UGLY KIDS CLUB website and an option to sign up to the mailing list.

43. In his second witness statement, Mr Bajade states:

> *“12. Since the online store for THE UGLY KIDS CLUB was taken offline I have operated a mailing list for existing and new customers to keep up to date with the brand THE UGLY KIDS CLUB and to receive news of the upcoming re-launch of the clothing range. Attached at Exhibit MB3 is a screenshot showing the number of subscribers to each list under the mark THE UGLY KIDS CLUB.*

[4] *The year is not shown. Facebook does not show the year where the post is made in the current year. Since these pages were printed and submitted in 2015 I conclude that they date from 2015.*

13. This mailing list included some more than 2,000 existing customers of the brand and has grown considerably over the last few years. For example, during the period 2010-2015 the mailing list has gained more than 8,000 new subscribers. This demonstrates that the promotional and marketing activities have been successful in attracting potential new customers who are interested in the impending relaunch of the clothing brand under the trade mark THE UGLY KIDS CLUB."

44. He concludes:

"16. THE UGLY KIDS CLUB is a very niche brand targeted at the urban fashion and streetwear market and is firmly connected with my background as an artist. Although the sales which have taken place within the relevant period are not extensive, the sales clearly demonstrate genuine use with a view to maintaining a market share for clothing and accessories in the UK. Similarly, the activities which have taken place to re-launch the brand in the UK also demonstrate an intention to create a market share for the brand by attracting new customers via a mailing list and providing early access to the test version of the online store."

DECISION

Proof of use

45. 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, international trade mark (UK) or Community trade mark or international trade mark (EC) 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.

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

46. Section 6A of the Act reads as follows:

"6A Raising of relative grounds in opposition proceedings in case of non-use

(1) This section applies where –

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

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

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

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

(3) The use conditions are met if –

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

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

(4) For these purposes –

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

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

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2)(application on relative grounds where no consent to registration)."

47. The application was published on 30 January 2015. The opponent's THE UGLY KIDS CLUB logo mark completed its registration procedure on 21 November 2008. Consequently, this mark is subject to proof of use, as per Section 6A of the Act and the applicant has requested the opponent to prove its use.

48. The relevant period is the five year period ending on the date of publication of the application, namely 31 January 2010 to 30 January 2015[5]. The onus is on the opponent, under section 100 of the Act, to show genuine use of its mark during this period in respect of those goods relied on.

49. In reaching a conclusion on this point, I must apply the same factors as I would if I were determining an application for revocation based on grounds of non-use.

50. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited,* [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

> "I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:
>
> (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
>
> (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].
>
> (3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].
>
> (4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].
>
> (5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

[5] *I note that throughout the evidence and submissions of both parties, they state that the period for which use must be shown by the opponent is 30 January 2010 – 29 January 2015. Given that the period must end on the date of publication of the application, namely, 30 January 2015, the dates I have provided above represent the correct period and I will proceed on that basis.*

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

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

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

51. There is no de minimis level for genuine use, although I bear in mind that the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that "*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question".*

52. In determining a fair specification, I keep in mind *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited,* BL O/345/10, in which Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as follows:

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

53. In *Roger Maier and Another v ASOS,* [2015] EWCA Civ 220, Kitchen L.J. (with whom Underhill L.J. agreed) set out the correct approach for devising a fair specification where the mark has not been used for all the goods/services for which it is registered. He said:

> "63. The task of the court is to arrive, in the end, at a fair specification and this in turn involves ascertaining how the average consumer would describe the goods or services in relation to which the mark has been used, and considering the purpose and intended use of those goods or services. This

I understand to be the approach adopted by this court in the earlier cases of *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2002] EWCA Civ 1828, [2003] RPC 32; and in *West v Fuller Smith & Turner plc* [2003] EWCA Civ 48, [2003] FSR 44. To my mind a very helpful exposition was provided by Jacob J (as he then was) in *ANIMAL Trade Mark* [2003] EWHC 1589 (Ch); [2004] FSR 19. He said at paragraph [20]:

> "… I do not think there is anything technical about this: the consumer is not expected to think in a pernickety way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. … Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods – are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

64. Importantly, Jacob J there explained and I would respectfully agree that the court must form a value judgment as to the appropriate specification having regard to the use which has been made. But I would add that, in doing so, regard must also be had to the guidance given by the General Court in the later cases to which I have referred. Accordingly I believe the approach to be adopted is, in essence, a relatively simple one. The court must identify the goods or services in relation to which the mark has been used in the relevant period and consider how the average consumer would fairly describe them. In carrying out that exercise the court must have regard to the categories of goods or services for which the mark is registered and the extent to which those categories are described in general terms. If those categories are described in terms which are sufficiently broad so as to allow the identification within them of various sub-categories which are capable of being viewed independently then proof of use in relation to only one or more of those sub-categories will not constitute use of the mark in relation to all the other sub-categories.

65. It follows that protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider belong to the same group or category as those for which the mark has been used and which are not in substance different from them. But conversely, if the average consumer would consider that the goods or services for which the mark has been used form a series of coherent categories or sub-categories then the registration must be limited accordingly. In my judgment it also follows that a proprietor cannot derive

any real assistance from the, at times, broad terminology of the Nice Classification or from the fact that he may have secured a registration for a wide range of goods or services which are described in general terms. To the contrary, the purpose of the provision is to ensure that protection is only afforded to marks which have actually been used or, put another way, that marks are actually used for the goods or services for which they are registered."

54. First, I have to identify, as a matter of fact, whether the trade mark relied on by the opponent has been put to genuine use and, if so, in respect of which goods. Having reached a conclusion on that point, I must then go on to decide what constitutes a fair specification for the use made.

55. I note that at paragraph 12 of his witness statement, the applicant points to a number of clothing items for which the opponent has not shown use. The majority of these are not being relied upon by the opponent for the purposes of these proceedings. It is the limited range of goods identified in the opponent's statement of grounds for which use must be shown during the relevant period, namely:

Class 25 – T-shirts, hoodies and hats.

56. In considering the opponent's evidence, it is a matter of viewing the picture as a whole. In *Dosenbach-Ochsner AG Schuhe und Sport v Continental Shelf 128 Ltd*, Mr Geoffrey Hobbs Q.C.[6], sitting as the Appointed Person, stated:

"21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in Matsushita Electric Industrial Co. V. Comptroller- General of Patents [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

> [24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can

[6] *BL O/404/13*

legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not 'show' (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use."

57. In *Awareness Limited v Plymouth City Council*[7], Mr Daniel Alexander Q.C. as the Appointed Person stated that:

> "22. The burden lies on the registered proprietor to prove use...However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public."

58. And further at paragraph 28:

> "28. ... I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as "tuition services", is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to "tuition services" even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted."

59. The opponent's evidence shows that The Ugly Kids Club is an artists' collective. The artists within the group periodically create designs which are applied to clothing. The clothing is then sold in fairly small numbers both online and at specific events. There has been a conscious business decision not to re-print the designs (see exhibit MB15), enabling the clothing to become collectable. The designs shown in evidence are described as 100s and 1000s, three lions, ROLLIN and Ladder of Success. Exhibits MB2[8] and MB1[9] show that the sew-in labels and swing tags bear the opponent's earlier mark, regardless of the design which is shown on the front of the item. Interviews at MB13 and MB14 describe the nature of the brand and suggest a

[7] *BL O/230/13*
[8] *Attached to Mr Bajade's first witness statement.*
[9] *Attached to Mr Bajade's second witness statement.*

cult (and celebrity) following. The evidence shows goods have been made available for sale in 2010, 2011 and again in September and October 2014 (see MB2[10]). Invoices have been provided for 2010 and 2011 and two further invoices have been provided for September and October 2014 (these show the earlier mark at the top of the page).

60. The applicant states that the sales shown by the opponent are very small and that there has been a period in which the opponent's mark has not been used, a fact which is not disputed by the opponent. The applicant concludes that the evidence filed is not sufficient to prove use of the mark in the relevant period. I accept that had the opponent given full details of the amounts spent on advertising and promotion of the brand in the UK and the total sales or turnover in the UK the position would have been clearer. I would assume that such figures are available to Mr Bajade. The fact that the evidence could have been better marshalled, however, does not mean that I should simply dismiss it.

61. There is some evidence to show that sales have been made under the mark within the relevant period. Sample invoices have been provided, there is evidence of attendance at various events and some promotional material is exhibited. Whilst sales may be limited and are likely to be very small in the context of the wider clothing market, there is evidence that the goods are made on a limited edition basis and are intended to create a niche market of collectibles. When considered as a whole the evidence is just sufficient to show that the opponent has made genuine use of the earlier mark (within the UK) during the relevant period, in respect of articles of clothing.

62. With regard to a fair specification for the goods, the opponent has shown examples of use in respect of a range of t-shirts, hoodies and hats in class 25.

63. Consequently, I find that the use shown by the opponent is in respect of t-shirts, hoodies and hats in class 25. This is how the average consumer would refer to these goods and it is neither too broad nor too pernickety and this is the fair specification on which I will proceed.

The opposition

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

> "5. - (2) A trade mark shall not be registered if because -
>
> (a)…
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,
>
> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

[10] *Ibid*

Section 5(2)(b) case law

65. 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 OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH,* Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM,* Case C-334/05P and *Bimbo SA v OHIM,* Case C-591/12P.

The principles

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

(g) a lesser degree of similarity between the goods or services may be offset by a 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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing act

66. In accordance with the above cited case law, I must determine who the average consumer is for the goods at issue and also identify the manner in which those goods will be selected in the course of trade.

67. 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."

68. The average consumer of the goods at issue will be a member of the general public. In considering the level of attention that will be paid to such a purchase and the nature of the purchasing act, I am mindful of the decision of the General Court (GC) in New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs) Joined cases T-117/03 to T-119/03 and T-171/03, in which it commented:

> "43 It should be noted in this regard that the average consumer's level of attention may vary according to the category of goods or services in question (see, by analogy, *Case C-342/97 Lloyd Schuhfabrik Meyer [1999] ECR I- 3819,paragraph 26)*. As OHIM rightly pointed out, an applicant cannot simply assert that in a particular sector the consumer is particularly attentive to trade marks without supporting that claim with facts or evidence. As regards the clothing sector, the Court finds that it comprises goods which vary widely in quality and price. Whilst it is possible that the consumer is more attentive to the choice of mark where he or she buys a particularly expensive item of clothing, such an approach on the part of the consumer cannot be presumed without evidence with regard to all goods in that sector. It follows that that argument must be rejected.
> ...
> 53. Generally in clothes shops customers can themselves either choose the clothes they wish to buy or be assisted by the sales staff. Whilst oral communication in respect of the product and the trade mark is not excluded, the choice of the item of clothing is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior

to purchase. Accordingly the visual aspect plays a greater role in the global assessment of the likelihood of confusion."

69. The selection process for the goods is primarily visual, though I do not discount the fact that there may be an aural element given that some articles may be selected or recommended aurally. The goods may be purchased physically on the high street, online or by mail order and the level of attention paid will be reasonable, the consumer paying the attention necessary to obtain, inter alia, the correct size, colour and fit.

Comparison of goods

70. The goods to be compared are as follows:

The opponent's goods	**The applicant's goods**
Class 25 T-shirts, hoodies and hats	**Class 25** T-shirt; Shirts; Long Sleeve Tops; Hoodies; Trousers; Jeans; Pants; Jackets; Jumpers; Sweaters; Hats; Caps; Footwear; Coats; Blouse; Short Sleeve Tops; Polo Shirts; Clothing; Footwear; Headgear.

71. In comparing the goods, I bear in mind the following guidance provided by the GC in *Gérard Meric v OHIM,* Case T-133/05:

> "29. …goods can be considered identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark."

72. Factors which may be considered in making this comparison include the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (Treat)* [11](hereafter Treat) for assessing similarity between goods and services:

> (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 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;

[11]*[1996] R.P.C. 281*

(f) the extent to which the respective goods or services are competitive, taking into account how goods/services are classified in trade.

73. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 the GC explained when goods were complementary:

> "82 It is true that goods are complementary if 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 (see, to that effect, Case T-169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P Rossi v OHIM [2006] ECR I-7057; Case T-364/05 Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL) [2007] ECR II-757, paragraph 94; and Case T-443/05 El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños) [2007] ECR I-0000, paragraph 48)."

74. I also bear in mind the decision in *El Corte Inglés v OHIM Case T-420/03*, in which the court commented:

> "96...goods or services which are complementary are those where 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 the production of those goods or provision of those services lies with the same undertaking (*Case T-169/03 Sergio Rossi v OHIM-Sissi Rossi* [2005] ECR II-685)"

75. The applicant's goods, 't-shirts', 'hoodies' and 'hats' in class 25 are clearly identical to the opponent's 't-shirts', 'hoodies' and 'hats' given that they are listed in both specifications.

76. 'Caps' in the application are included within the broad term, 'hats' in the opponent's specification and is therefore also identical in accordance with *Meric*.

77. 'Long sleeved tops' and 'short sleeved tops' are broad terms which include long and short sleeved t-shirts. Consequently, these are also identical to the opponent's goods in accordance with the decision in *Meric*.

78. 'Shirts', 'sweaters', 'jumpers', 'blouses' and 'polo shirts' are all 'tops' and have the same users as the opponent's t-shirts and hoodies, namely members of the general public. They are all worn to cover the body for a number of reasons including, but not limited to, warmth, fashion or practicality. They are likely to share the same trade channels and be displayed in close proximity and may also be in competition. These are goods which if not identical, are similar to a high degree.

79. The applicant's specification also includes trousers, jeans and pants. These are all general items of clothing which would be worn by members of the general public to cover the body, though a different part of the body to the opponent's clothing goods which are T-shirts, hoodies and hats. The users of these goods and the opponent's goods are the same. The trade channels are highly likely to coincide. It is not, in my

experience, uncommon to see a range of clothing goods provided by the same undertaking and, as a consequence, there is a degree of complementarity in the sense that the average consumer is highly likely to believe that the opponent's goods and the applicant's clothing goods originate from the same provider. Taking all of the relevant factors into account I find these clothing items to be similar to the opponent's goods to a medium degree.

80. The remaining goods in the applicant's specification are jackets and coats. These are items of outerwear rather than general clothing items but share the same users as the opponent's clothing items in so far as they are members of the general public. They may be bought to coordinate with other items of clothing and may, in my experience, originate from the same undertaking and share the same trade channels. These goods are similar to the opponent's goods to a medium degree.

Comparison of marks

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

82. It would be wrong, therefore, artificially to 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.

83. The respective trade marks are shown below:

The opponent's mark	**The applicant's mark**
	**UGLY KID CLOTHING UK**

84. With regard to the overall impression and similarity of the respective marks, the opponent states[12]:

> *"…the words UGLY KID are clearly the dominant and distinctive element of the Applicant's mark… The words 'CLOTHING' and 'UK' in the mark are directly indicative of the goods for which the mark is applied for and the territory and cannot be considered as distinctive elements of the mark. Both marks therefore include the distinctive words UGLY and KID/KIDS and as a result the marks will be considered to be visually, phonetically and conceptually similar to a high degree."*

85. The applicant states[13]:

> *"Ugly Kid Clothing UK clearly demonstrates to the customer that this is a clothing company whereas The Ugly Kids Club does not give this impression if anything people may assume it relates to a club rather than clothing…Stylistically our fonts are completely different and The Ugly Kids Club has a registered trademark of a bird."*

86. The applicant's mark consists of the words UGLY KID CLOTHING UK, in block capitals with no form of stylisation. The word 'CLOTHING' will be seen simply as indicating the nature of the goods being offered, and 'UK' indicates geographic location so the overall impression of the mark is dominated by the words "UGLY KID" which appear as the first two words within the mark.

87. The opponent's mark consists of the words 'THE UGLY KIDS CLUB' in a slightly stylised font. The presentation is upper case with the exception of the letter 'L' in 'UGLY' and in 'CLUB'. 'THE' is presented above 'UGLY KIDS', specifically above the word 'KIDS'. The word 'CLUB' is presented below the word 'KIDS'. All of the words have an orange drop shadow. Above and to the left of the words is an image which the opponent describes as a flying swan. The swan is outlined in the same orange. The background to the mark is a circular device which takes the form of a crescent, the thickest part of which sits behind the swan. Both the swan device and the words are significant within the mark overall. The overall impression of the mark rests in both the swan device and the words, 'THE UGLY KIDS CLUB'.

Visual similarities

88. In considering the presentation of the marks at issue I am mindful of the comments in *Sadas*[14], where the Court of First Instance (now the General Court) assessed the similarity of 'Arthur' (in script) against the application 'ARTHUR ET FÉLICIE', in plain block capital letters. It held,

> "47…Moreover, since registration of the trade mark ARTHUR ET FÉLICIE was sought as a word mark, nothing prevents its use in different scripts, such as, for example, a form comparable to that used by the earlier mark. As a result, the signs at issue must be considered visually similar."

[12] *From paragraph 13 of written submissions received on 7 December 2015.*
[13] *Taken from paragraph 9 of written submissions received 7 December 2015.*
[14] *Sadas SA v OHIM, T-346/04*

89. The CFI also applied *Sadas* in similar circumstances in *Peek & Cloppenburg v OHIM*[15], where the earlier mark was the plain word mark. It stated,

> "27...the Board of Appeal was wrong to take into account the particular font used by the mark applied for in its comparison of the signs at issue. … since the early mark is a word mark, its proprietor has the right to use it in different scripts, such as, for example, a form comparable to that used by the mark applied for."

90. Accordingly, in this case, normal and fair use of the applicant's mark would include use of the mark in normal fonts, including handwritten styled fonts of the type included in the opponent's mark, which would reduce the apparent visual difference between the marks when the applicant's mark is considered in block capitals.

91. Visual similarity between the marks rests in the words UGLY KID/S which are present in both marks. UGLY and KID are the first two words of the application while UGLY KIDS falls in the centre of the opponent's mark. Visual differences are that the application has the additional words CLOTHING UK at the end of the mark while the opponent's mark has THE at the beginning of the word element and CLUB at the end. It also includes the swan device which is significant within the mark as a whole. Taking these factors into account, I find the marks to have a medium degree of visual similarity.

Aural similarities

92. Both marks are made up of common English words. They share the two syllables in the word UGLY, followed by a similar single syllable, namely, KID in the application and the pluralised version of the same word in the opponent's mark. The applicant's mark is followed by the words CLOTHING UK. It is unlikely that these words will be given any trade mark significance by the average consumer as they will be seen simply as an indication of the goods being provided under the mark and the geographic location of the supplier of those goods. Consequently, they may not be articulated. The swan device in the opponent's mark will not be articulated. With regard to the words, it has the word THE before 'UGLY KIDS' and the word CLUB after those two words. It is possible that the first word 'THE' may not always be pronounced. The high point of similarity exists where the marks are pronounced UGLY KID CLOTHING and UGLY KIDS CLUB, however, there are other possibilities as I have discussed above. The marks are aurally similar to at least a medium degree but depending upon the particular words articulated by the average consumer the degree of similarity could be somewhat higher.

Conceptual similarities

93. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.[16] The assessment must be made from the point of view of the average consumer.

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[15] *T-386/07*

[16] *This is highlighted in numerous judgments of the GC and the CJEU including Ruiz Picasso v OHIM [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.*

94. The parties' marks share conceptual similarity in that they are both UGLY KID/KIDS marks, the meaning of which will be well understood by the average UK consumer. The inclusion of the word CLUB in the opponent's mark gives the impression of a club for, or made up of, ugly kids.

95. I find these marks to share a high degree of conceptual similarity.

Distinctive character of the earlier mark

96. In determining the distinctive character of a trade mark it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify its goods as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger Joined Cases C-108/97 and C-109/97* [1999] ETMR 585.

97. Neither the stylised flying swan, nor the words, THE UGLY KIDS CLUB, are descriptive or allusive of the opponent's goods. The combination is a fairly unusual one which, in its totality, is inherently fairly highly distinctive for the clothing goods.

98. Given my comments above regarding the opponent's evidence of use, which was only just sufficient to show genuine use within the relevant period and given the size of the UK clothing market, which I have no doubt, is considerable, I am unable to conclude that the opponent's earlier mark has enhanced its distinctive character due to the use made of it.

Likelihood of confusion

99. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.[17] I must also keep in mind the average consumer for the goods, the nature of the purchasing process and have regard to the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa.

100. I have made the following findings:

- The parties' marks have a medium degree of visual similarity and are aurally similar to at least a medium degree.

- The parties' marks have a high degree of conceptual similarity.

- The opponent's earlier mark has a fairly high degree of inherent distinctive character which has not been increased by the use made of the mark.

- I have found some of the applicant's goods to be identical to the opponent's goods, some to be highly similar and some to be similar to a medium degree.

[17] *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V paragraph 27*

101. Taking all matters into consideration as I am required to do, I find that the average consumer may mistake one mark for the other, giving rise to direct confusion.

102. Even if I am found to be wrong in this, I am mindful of *L.A. Sugar Limited v By Back Beat Inc*[18], in which Mr Iain Purvis Q.C. sitting as the Appointed Person noted 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)."

103. In my view, if the average consumer notices the differences between the parties' marks, the common element is such that it would lead to the average consumer making a connection between them that would result in a belief that the goods are being provided by an economically linked undertaking.

The opposition succeeds under section 5(2)(b) of the Act.

[18] *Case BL-O/375/10*

The 3(6) ground

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

> "3(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith."

105. The only statement made by the opponent with regard to this ground is:

> *"7. The Applicant has applied to register a mark which is highly similar to that of the Opponent in full and informed knowledge of the registration and use of the Opponent's earlier mark. The Applicant's actions do not, therefore, adhere to acceptable behaviour which ought to be observed by reasonable and experienced persons in the clothing industry."*

106. The law relevant to this ground was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited.*[19] It is clear from the case law that an allegation of bad faith is a serious one which must be distinctly proved.

107. There is no explanation pleaded or reason provided as to why the filing of this application amounts to an act of bad faith and no evidence has been filed in support of this ground and I dismiss the objection

Consequently, the application under section 3(6) fails.

108. The application contains broader terms than those contained in the opponent's specification and as a consequence I have paused to consider whether a fall back specification is necessary or appropriate in this case. Having considered all of the evidence, submissions and the parties' respective specifications I have decided against such a course of action.

109. TPN 1/2012, paragraph 3.2.2 d states:

> "…Conversely, where an opposition or invalidation action is successful against a range of goods/services covered by a broad term or terms, it may be considered disproportionate to embark on formulating proposals which are unlikely to result in a narrower specification of any substance or cover the goods or services provided by the owner's business, as indicated by the evidence. In these circumstances, the trade mark will simply be refused or invalidated for the broad term(s) caught by the ground(s) for refusal."

110. In my view, that is the case here.

CONCLUSION

111. The opposition succeeds under section 5(2)(b) and fails under section 3(6).

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[19] *[2012] EWHC 1929 (Ch)*

COSTS

112. The opponent did not file evidence in support of its 3(6) claim and the applicant did not defend the claim. Whilst the ground was not withdrawn, it was clearly not pursued. The opponent succeeded in respect of its claim under section 5(2)(b) and is entitled to an award of costs in its favour.

I make the award on the following basis:

Preparing a statement and considering the other side's statement	£300
Preparing and filing evidence and commenting on the other side's evidence	£500
Preparing and filing written submissions	£200
Official fee:	£100[20]
Total	**£1100**

113. I order Zakariya Waseem Butt to pay Mark Bajade the sum of £1100. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 4th day of March 2016

Ms Al Skilton
For the Registrar,
the Comptroller General

[20] *The official fee paid by the opponent was £200 but the fee for filing an opposition under section 5(2)(b) is £100 and is the only part of the fee recoverable following the opponent's success under that ground.*