

O/135/19

TRADE MARKS ACT 1994

**IN THE MATTER OF UK REGISTRATION NO. 3180609 BY
NAKIN LIMITED
IN RESPECT OF THE TRADE MARK SERIES:**

NAKIN

Nakin

IN CLASS 3

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY
THEREOF UNDER NO. 501910 BY
MCPHERSON'S CONSUMER PRODUCTS PTY LIMITED**

Background and pleadings

1. The trade mark series number 3180609 was applied for on 16 August 2016, published on 9 September 2016 and entered onto the register on 18 November 2016. It stands in the name of Nakin Limited (the registered proprietor).
2. The mark is registered in respect of the following goods:

Class 3

Skin care preparations; Non-medicated skin care preparations; skin care oils, creams and lotions; toiletries; Essential oils; Natural essential oils; Soaps; Perfumery; Cosmetics; Body cleaning and beauty care preparations; Aromatics; Aromatic oils; aromatherapy oils, preparations and lotions; shower gels; Bath and shower gels, not for medical purposes; bath preparations; bath oils; bathing lotions; body scrubs, facial scrubs; hand scrubs; foot scrubs; skin scrubs; Hair care agents and preparations; hair care lotions, creams, gels, sprays; hair shampoo; hair conditioner; massage oils; non-medicated toiletries; scented water.

3. On 20 December 2017, McPherson's Consumer Products Pty Ltd (the applicant) applied under section 47 of the Trade Marks Act 1994 (the Act) for the trade mark registration to be declared invalid. The application is based on sections 5(2)(b) and 5(4)(a) of the Act.
4. Under section 5(2)(b) of the Act, the applicant is relying upon the following marks:

Marks	Goods
UK2210543 ("the 543 mark") AKIN Filing date: 7 October 1999 Registered: 16 June 2000	<u>Class 3</u> <i>Cosmetics including colour cosmetic; toiletries; skin care preparations; deodorants; perfumery; essential oils.</i>

<p>UK2542534 (“the 534 mark”)</p> <p style="text-align: center;">[A'kin] pureBaby</p> <p>Filing date: 18 March 2010 Registered: 24 September 2010</p>	<p><u>Class 3</u></p> <p><i>Skincare preparations; toiletries; essential oils; haircare products; non-medicated bath salts; dentifrices; soaps including liquid soaps; sunscreen.</i></p>
<p>IR1011563 (“the 563 mark”)</p> <p style="text-align: center;">AKIN PURE MAN</p> <p>Priority date: 29 January 2009 Designation date: 3 June 2009 Date of protection of the IR in the UK: 4 November 2010</p>	<p><u>Class 3</u></p> <p><i>Cosmetics; skincare preparations; toiletries; personal deodorants; perfumery; essential oils; hair care preparations; non-medicated sunscreens.</i></p>
<p>IR1324833 (“the 833 mark”)</p> <p style="text-align: center;">BE A'KIN WITH NATURE</p> <p>Priority date: 6 July 2016 Designation date: 14 July 2016 Date of protection of the IR in the UK: 14 March 2017</p>	<p><u>Class 3</u></p> <p><i>Cosmetics; skincare preparations; toiletries; personal deodorants; perfumery; essential oils; haircare preparations; non-medicated sunscreens.</i></p>

The applicant is relying upon all the goods for which the marks stand registered.

- The applicant claims that the marks are similar and that the goods and services are identical or highly similar. It maintains that there is a likelihood of confusion and that therefore the contested registration should be invalidated for all goods.

6. The applicant claims under section 5(4)(a) of the Act that the following signs have been used throughout the UK since the dates shown in the table below:

Sign	Date
AKIN	November 1999
[A'kin]	August 2000
A'kin	August 2000
akinbeauty.co.uk	August 2013

7. It claims that the signs have been used on the following goods:

Skin care preparations; hair care preparations; cosmetics; toiletries; non-medicated toiletries; facial and skin care preparations including oils and creams; day crèmes; night creams; eye creams; eye gels; hydration gel crèmes; face scrubs; cleaners; toners; oils for the skin; body wash; body cream; moisturiser; hair care agents and preparations; shampoos; conditioners; hair treatment masques; hand wash; hand creams; hand nail and cuticle cream; body cleaning and beauty care preparations.

8. The applicant maintains that the registration and use of the contested trade mark are contrary to the law of passing off in relation to all the goods for which that mark is registered, and the applicant therefore requests that the mark is invalidated for all goods.
9. The registered proprietor filed a counterstatement denying the claims made and requesting that the applicant provide evidence of use of the 543, 534 and 563 marks for all the goods for which they stand registered. All three marks completed their registration processes more than five years before the request for invalidation was filed, and so are subject to the proof of use requirements set out in sections 47(2A)-(2E) of the Act. It maintains that there are significant differences between its series mark and the marks of the applicant.

10. The applicant filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary.
11. A hearing took place on 1 March 2019, with the applicant represented by Shaun Sherlock of Swindell & Pearson Ltd. The registered proprietor did not attend but made written submissions on 25 February 2019. In these proceedings, the registered proprietor is represented by Eugene Pienaar of RevoMark.

Relevant dates

12. Three of the earlier marks (as mentioned in paragraph 9) had been registered for more than five years on the date on which the application for invalidation was filed. They are, therefore, subject to the proof of use provisions under sections 47(2A)-(2E) of the Act, and the registered proprietor has requested such proof for all goods. The applicant has made a statement that it has made genuine use of the marks in the UK, in the relevant period for all the goods upon which it is relying. The relevant period for these purposes is the five years ending with the date of application for the declaration of invalidity: 21 December 2012 to 20 December 2017. The relevant date for the purposes of sections 5(2)(b) is the date the application was filed: 16 August 2016.
13. The applicant is also claiming an earlier right over the registered proprietor's series of marks, as provided for by section 5(4)(a) of the Act. The onus is on the applicant to satisfy the Tribunal that its unregistered sign would have been protectable by virtue of the law of passing off before the relevant date. The registered proprietor has not claimed or filed any evidence that it has been using its mark before the date of application (16 August 2016), so this is the relevant date for the purposes of section 5(4)(a).

Evidence

14. The applicant's evidence comes from Ms Abigail Claire Cleeve, a Director of Graphters Limited, a UK distributor for the applicant's goods since 2013. Her

statement is dated 8 June 2018. Evidence is provided to show that the applicant consents to the use of its marks by Graphters Limited.

15. The applicant's marks were originally owned by The Purist Company. Exhibit ACC05 is an extract from the website www.akinbeauty.co.uk and states that:

“Our story began in Australia in 1987, when our co-founder, botanical chemist Will Evans, saw a gap in the market for pure, high quality and effective natural beauty products. [A'kin] was launched in 2002 utilising the same pioneering technologies and leading the way in natural skincare.”

Ownership of the marks was transferred to the applicant in 2014.

16. Ms Cleeve states that the applicant's goods are sold in the UK through stores such as Holland and Barrett, Waitrose, Whole Foods and pharmacies. Customers can also purchase the goods via TV shopping channel QVC and online, including from www.akinbeauty.co.uk.

17. UK sales revenue from the applicant's AKIN branded goods is shown in the table below:

Year	Units	Sales (£)
2013	55,971	849,000
2014	67,464	1,072,250
2015	68,777	1,000,000
2016	82,361	1,221,600
2017	98,988	1,414,228

18. Marketing spend was as follows:

Year	Marketing Spend (£)
2013	22,487
2014	14,210
2015	24,973
2016	16,717
2017	22,637

19. I shall refer to the evidence in more detail during the course of my decision.

Legislation

20. Section 47 of the Act states that:

“(2) The registration of a trade mark may be declared invalid on the ground –

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

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

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

(2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

- (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,
- (b) the registration procedure for the earlier trade mark was not completed before that date, or
- (c) the use conditions are met.

(2B) The use conditions are met if –

- (a) within the period of five years ending with the date of the application for the declaration 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) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes –

- (a) use of a trade mark includes use in a form 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.

(2D) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Union.

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

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

...

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

Proof of Use

21. The three earlier marks mentioned in paragraph 9 must meet the use conditions. The case law on genuine use was summarised by Arnold J in *Walton International Limited v Verweij Fashion BV* [2018] EWHC 1608 (Ch):

“114. *The law with respect to genuine use.* The CJEU has considered what amounts to ‘genuine use’ of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundersvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816] [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co*

KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

- (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
- (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* 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]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].
- (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] and [22]. 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]; *Reber* at [29].
- (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]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].
- (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] and [76]-[77]; *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 [132].”

22. The onus is on the proprietor of the earlier mark(s) to show use. Section 100 of the Act states that:

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

23. The applicant submits that it has made genuine commercial use of the earlier marks in the course of trade. At the hearing, Mr Sherlock accepted that there was only very limited use of the 563 mark and submitted that the majority of this use related to the 543 mark: **AKIN**.

24. The evidence before me shows that goods were available in a selection of high-street stores (such as Holland and Barrett), internet retailers and the QVC shopping channel within the relevant period.

25. The registered proprietor disputes that the goods were sold under the registered trade marks. However, the evidence shows that the following forms were used:

A'kin
[A'kin]
[A'kin] pureBaby
[Akin] pureMAN
[A'kin] pureMAN

In the case of **[A'kin] pureBaby** and **[Akin] pureMAN**, there are single examples of use.¹ Two products bearing the mark **[A'kin] pureMAN** are shown for sale from the Holland and Barrett website in a printout with the date 3 August 2016, obtained from the Wayback Machine.² This very small number of examples is not, in my view, sufficient to show genuine use of these forms.

26. The majority of the use shown is of **A'kin** and **[A'kin]**, particularly the latter, which is used on packaging and product labels, as seen in the example below:



27. According to section 47(2C),

“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.”

The applicant submits that the distinctive character of the 543 mark, **AKIN**, is not altered by use in the form of **[A'kin]** or **A'kin**. The registered proprietor disputes this.

¹ [A'kin] pureBaby can be seen in Exhibit ACC04, page 19, in relation to a special offer on baby products. [Akin] pureMAN can be seen on page 4 of the same exhibit in a news story about an award won by the product range.

² Exhibit ACC12, page 12.

28. At the hearing, Mr Sherlock referred me to the decision of Mr Richard Arnold QC (as he then was), sitting as the Appointed Person in *NIRVANA Trade Mark*, BL O/262/06, particularly paragraph 34:

“The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter’s distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all.”

29. As the great majority of the use shown is of **[A’kin]** or **A’kin**, I shall consider the 543 mark – **AKIN** – and whether these forms as used constitute an acceptable variant. “Akin” is a dictionary word which, the registered proprietor submits, could have the following meanings: “related by blood; allied by nature/having the same properties, having or showing an affinity”. At the hearing, Mr Sherlock accepted that the word “akin” has a meaning, but submitted that the word did not describe or allude to the goods covered by the specification.

30. The forms as used contain the same letters as the 543 mark, in the same order. Additional elements are an apostrophe between the first two letters in both used forms, and square brackets around the letters in one of them.

31. The registered proprietor submits that these additional elements alter the distinctive character of the 543 mark:

“The use of an apostrophe after the first letter of a word is a **major** variation as it has a significant effect on the look and structure of the word. Its impact is obvious and noticeable. In the English language an apostrophe serves to break a word up and can even change the meaning of a word. For example, I’ll means ‘I will’ which is very different to Ill which

means sick. To the average English speaking person, the use of an apostrophe can have a big effect on the visual, aural and conceptual differences to words. An apostrophe is not a punctuation mark which can be ignored, overlooked or considered to be irrelevant.”

32. The applicant submits that the apostrophe would not have an impact on the average consumer’s perception of the mark as they would be

“likely to place more emphasis on the letters contained in the mark”.

33. In my view, in separating the first letter “A” from the remaining letters “KIN”, the apostrophe does alter the distinctiveness of the mark. While “AKIN” is a word in the dictionary, “A’KIN” is more likely to be interpreted as an invented word – which would have a greater degree of distinctiveness, and certainly a different distinctive character, than a word that is in standard English usage. Consequently, I find that the used forms are not acceptable variants of the 543 mark, with the further consequence that that mark cannot be relied upon in these proceedings.

34. The 534 mark, on the other hand, does contain **[A’kin]**, which has been used, so I need to consider whether the use of **[A’kin]** is an acceptable variant of the registered mark:

[A’kin]
pureBaby

To my mind, the distinctiveness of the registered mark lies in the mark as a whole. While the word “pure” is allusive of natural, organic products, free from harmful chemicals, and “baby” suggests that the goods have been specifically formulated for use with infants, the term “pureBaby” has an element of distinctiveness, even if this is only achieved by the juxtaposition of those two words. This is a coinage that the average consumer would not use in normal speech to describe the products or the user of the products. Removing this term would alter the

distinctiveness and consequently I find that the applicant cannot rely on the use of **[A'kin]** to show genuine use of the 534 mark.

DECISION

My approach

35. The applicant has not shown that it has used the 543, 534 or 563 marks. For the purposes of the section 5(2)(b) ground, it can only rely on the 833 mark: **BE A'KIN WITH NATURE**. The applicant's stronger ground looks to be section 5(4)(a), so I shall consider this first.

Section 5(4)(a) ground

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

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(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’.”

37. It is settled law that for a successful finding of passing off, three factors must be present: goodwill, misrepresentation and damage. Her Honour Judge Melissa Clarke, sitting as deputy Judge of the High Court, conveniently summarised the essential requirements of the law in *Jadebay Limited, Noa and Nani Limited Trading as the Discount Outlet v Clarke-Coles Limited Trading as Feel Good UK* [2017] EWHC 1400 IPEC:

“The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL) namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all these limbs.”³

Goodwill

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

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

39. In a passing off claim, the earlier use by the claimant must relate to the use of the sign for the purposes of distinguishing goods or services. I have already found that the evidence shows the applicant has used the following signs in trade: **[A’kin]** and **A’kin** before the relevant date, and I have been presented with printouts showing use of **akinbeauty.co.uk** from 2014, 2015 and 2016. I also found there was insufficient evidence to show that it had used the sign **AKIN**.

40. The applicant claims that it has used the signs on all the goods listed in paragraph 7. All the goods in this list are shown in the evidence supplied. I note

³ Paragraph 55.

that there is no *de minimis* level of sales to establish protectable goodwill: see, for example, *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590 (COA). Nevertheless, the UK sales figures I have reproduced in paragraph 17 are, to my mind, sufficient to show that there is goodwill in the applicant's business associated with the signs **[A'kin]** and **A'kin**. I have not been provided with a breakdown of these figures by sales channel, so I am unable to make a finding on the extent to which there may be goodwill in **akinbeauty.co.uk**. In any event, this sign is simply a domain name, which contains a contraction of the used sign **A'kin** that is necessary because such internet addresses do not make use of punctuation marks. In such a context, the degree to which the consumer will place any significance on the absence of punctuation is limited. Consequently, I find that the signs associated with the goodwill are **[A'kin]** and **A'kin**.

Misrepresentation

41. I will now consider whether there is misrepresentation. The relevant test was set out by Morritt LJ in *Neutrogena Corporation and another v Golden Limited and another* [1996] RPC 473:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 at page 407 the question on the issue of deception or confusion is:

‘is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants’ [product] in the belief that it is the respondents’ [product].

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol. 48 para. 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd v June Perfect Ltd* (1941) 58 RPC 147 at

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

42. *Halsbury's Laws of England* Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309, it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

43. The evidence supplied by the applicant presents a picture of a company with a reputation in the natural and cruelty-free cosmetics and toiletries business. It has been recognised in the Natural Health Magazine Beauty Awards 2013 and 2014 and the FreeFrom Skin Care Awards 2013.⁴ Posts from Facebook in 2017 share positive reviews on blogs and one from 9 November 2017 announced that one of the applicant’s products had been chosen by *Hello!* as the best eye gel.⁵ I have not been presented with data on the size of the relevant market, but Graphers spent £22,487 on marketing in 2013, followed by £14,210 in 2014, £24,973 in 2015 and £22,637 in 2016.

44. The goods covered by the contested trade mark are identical to the goods sold by the applicant, who submits that the average consumer

“will be a member of the general public. It is also suggested that the purchases are likely to be relatively frequent and of a relatively low cost, consistent with general items of beauty care. Therefore, the level of attention paid by the average consumer is likely to be of an average nature.”

⁴ Exhibit ACC04.

⁵ Exhibit ACC15.

45. The registered proprietor, on the other hand, submits that:

“The average consumer of cosmetics and skin care preparations would pay a medium to high level of attention to the product. These types of products are not bought on a whim. More often than not serious thought, research and consideration is conducted prior to purchase. The average consumer would know what they are buying at the point of purchase.”

46. The goods in question vary significantly in price, from a few pounds to hundreds of pounds for the most prestigious luxury brands. I accept that the customer is likely to think about their individual needs and which products might best meet those, but I think that the attention paid will be at an average level. Looking at toiletries and cosmetics as a category, I consider that they would be purchased relatively frequently. The consumer will generally see any registered or unregistered marks before buying, as they select the items from the shelf or a website. Even where they need to ask a sales consultant for the products, the branding may sometimes be seen. The evidence shows that the applicant’s products can be purchased online, in pharmacies, specialist health shops and more general outlets such as Waitrose, Superdrug and QVC. I have no information on which to make an assessment of how the registered proprietor uses the contested mark – it is of course the notional and fair use of the applied for mark that I must consider.

47. The applicant submits that the marks are visually and phonetically similar. I recall that it took the view that the apostrophe would not affect the average consumer’s perception of its marks, and the consumer would instead focus on the letters. Earlier in the decision, I found that the apostrophe would have an impact on the consumer.

48. The mark/signs to be compared are shown below:

Applicant’s signs	Contested mark
A’kin [A’kin]	NAKIN/Nakin

49. The contested mark does contain all the letters of the applicant's marks, but there is no punctuation and an additional letter at the beginning of the contested mark. The punctuation in the applicant's mark will, to my mind, be noticed by the average consumer and, by splitting the string of letters, will affect their perception. Consequently, I find that both **A'kin** and **[A'kin]** have a low degree of visual similarity with the contested mark.
50. The degree of phonetic similarity will depend on how the average consumer pronounces the applicant's marks. In my view, the average consumer would articulate the contested mark as "NAY-KIN", with the first syllable pronounced as in "NATURE" or "NAKED", with a long A. The applicant submits that its marks will be articulated as "A-KIN", with a short A. If the applicant is correct, only the last of two syllables is pronounced the same, and the phonetic similarity would be no more than medium. It is possible that the average consumer might articulate the applicant's marks as "AY-KIN", with a long A, particularly if they see the first letter as separate from the rest of the mark. Such an articulation would result in a higher degree of phonetic similarity. However, I bear in mind that the phonetic elements of the mark will have a lesser role to play in the purchasing decision than the visual.
51. The registered proprietor states that "NAKIN" is an invented word. I agree that the average consumer is likely to think this, and so the contested mark is conceptually neutral. They may also believe that the applicant's mark is invented.
52. Taking all these factors into account, it seems to me unlikely that a substantial number of the relevant public will be deceived as to the origin of the goods. The marks are, to my mind, sufficiently different for there not to be a substantial number of customers assuming that there is a trade connection.
53. If I had found that the apostrophe would not affect the customer's perception of the signs, and they would focus on the letters, that would not change my finding on misrepresentation. There would still be a visual difference between the applicant's signs and the contested mark, with the latter having an additional letter at the start. The applicant's signs might in that case be identified as a word with a

meaning, as opposed to the invented word that constitutes the registered proprietor's mark with would therefore create a conceptual difference.

Damage

54. Where there is no misrepresentation, there is no damage. The section 5(4)(a) ground fails.

Section 5(2)(b) ground

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

“A trade mark shall not be registered if because –

...

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

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

56. I found that the only mark the applicant could rely on under section 5(2)(b) was the 833 mark – **BE A’KIN WITH NATURE** – which was not subject to the proof of use requirement. This mark is visually, phonetically and conceptually different from the contested mark. It contains four words, rather than one; eight syllables, rather than two. Conceptually, it is likely to be interpreted as a message that the applicant's products are natural and the person who uses the products will have chosen something environmentally sustainable. As I have already found, the contested mark would be understood to be an invented word. Where there is no similarity between the marks, there can be no confusion. The section 5(2)(b) ground also fails.

57. Even had I found **A’KIN** or **[A’KIN]** to be an acceptable variant of the 543 mark, I would not have found in favour of the opponent under this ground. There is still a difference at the beginning of the marks and they are conceptually different, as **AKIN** has a meaning.

Conclusion

58. The application for invalidation has failed. The contested mark will remain registered in respect of all the goods for which it stands registered.

Costs

59. The proprietor has been successful. In the circumstances, I award the proprietor the sum of £500 as a contribution towards its costs. In calculating the award I have taken account of the fact that the proprietor filed no evidence and did not attend the hearing. The sum is calculated as follows:

Preparing a statement and considering the other side’s statement: £200

Preparation of written submissions: £300

Total: £500

60. I therefore order McPherson’s Consumer Products Pty Limited to pay Nakin Limited the sum of £500. The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

13th March 2019

Clare Boucher

For the Registrar,

Comptroller-General