

**O/442/19**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION NO. UK00003230941**

**IN THE NAME OF ADDICTED ORIGINAL LTD**

**FOR THE FOLLOWING TRADE MARK:**



**IN CLASSES 25, 35, 36 AND 42**

**AND**

**AN APPLICATION FOR A DECLARATION OF INVALIDITY**

**UNDER NO. 502260 BY ADIDAS AG**

## BACKGROUND AND PLEADINGS

1. Addicted Original Ltd (“the proprietor”) is the registered owner of the mark shown on the cover page of this decision (“the Contested Mark”). The Contested Mark was filed in the UK on 15 May 2017 and was registered on 4 August 2017. It is registered for the following goods and services:

Class 25      Cloth bibs for adult diners; Clothing; Clothes; Clothing for babies; Clothing for infants; Clothing for children; Clothing of leather; Clothing made of leather; Clothing for sports; Clothes for sport; Clothes for sports; Clothing of imitations of leather; Clothing made of imitation leather; Clothing for wear in wrestling games; Clothing for leisure wear; Clothing for fishermen; Clothing for martial arts; Clothing for cycling; Clothing for cyclists; Clothing made of fur; Cloth bibs; Clothing for wear in judo practices; Clothing layettes; Clothing for gymnastics; Clothing for horse-riding [other than riding hats]; Clothing for skiing.

Class 35      Retail shop window display arrangement services; Mail order retail services connected with clothing accessories; Mail order retail services for clothing accessories; Retail services connected with the sale of clothing and clothing accessories; Management of a retail enterprise for others; Administration of the business affairs of retail stores; Retail or wholesale services for pharmaceutical, veterinary and sanitary preparations and medical supplies; Retail services in relation to pharmaceutical preparations; Retail services in relation to toiletries; Retail services in relation to animal grooming preparations; Retail services in relation to metal hardware; Retail services in relation to recorded content; Retail services in relation to diving equipment; Retail services in relation to physical therapy equipment; Retail services in relation to hearing protection devices; Retail services in relation to sex aids; Retail services in relation to sun tanning appliances; Retail services in relation to jewellery; Retail services relating to jewelry; Retail services in relation to time instruments; Retail services in relation to musical instruments; Retail services in relation to disposable paper products;

Retail services in relation to printed matter; Retail services in relation to gardening articles; Retail services in relation to cleaning articles; Retail services in relation to fabrics; Retail services in relation to headgear; Retail services in relation to clothing; Retail services relating to clothing; Retail services in relation to footwear; Retail services in relation to meats; Retail services in relation to non-alcoholic beverages; Retail services in relation to preparations for making beverages; Retail services in relation to preparations for making alcoholic beverages; Retail services in relation to alcoholic beverages (except beer); Retail services in relation to articles for use with tobacco; Retail services in relation to chemicals for use in agriculture; Retail services in relation to chemicals for use in horticulture; Retail services in relation to chemicals for use in forestry; Retail services in relation to cleaning preparations; Retail services in relation to fuels; Retail services in relation to lubricants; Retail services in relation to dietary supplements; Retail services in relation to dietetic preparations; Retail services in relation to veterinary preparations; Retail services in relation to veterinary articles; Retail services in relation to agricultural equipment; Retail services in relation to earthmoving equipment; Retail services in relation to construction equipment; Retail services in relation to hygienic implements for humans; Retail services in relation to beauty implements for humans; Retail services in relation to hygienic implements for animals; Retail services in relation to beauty implements for animals; Retail services in relation to cutlery; Retail services in relation to hand-operated tools for construction; Retail services in relation to hand-operated implements for construction; Retail services in relation to information technology equipment; Retail services in relation to audio-visual equipment; Retail services in relation to navigation devices; Retail services in relation to medical apparatus; Retail services in relation to medical instruments; Retail services in relation to veterinary apparatus; Retail services in relation to veterinary instruments; Retail services in relation to sanitary installations; Retail services in relation to water supply equipment; Retail services in relation to sanitation equipment; Retail services in relation to heaters; Retail services in relation to lighting; Retail services in relation

to food cooking equipment; Retail services in relation to heating equipment; Retail services in relation to cooling equipment; Retail services in relation to refrigerating equipment; Retail services in relation to freezing equipment; Retail services in relation to vehicles; Retail services in relation to weapons; Retail services in relation to works of art; Retail services in relation to art materials; Retail services in relation to stationery supplies; Retail services in relation to educational supplies; Retail services in relation to umbrellas; Retail services in relation to luggage; Retail services in relation to bags; Retail services in relation to saddlery; Retail services in relation to furniture; Retail services relating to furniture; Retail services in relation to furnishings; Retail services in relation to tableware; Retail services in relation to cookware; Retail services in relation to yarns; Retail services in relation to threads; Retail services in relation to sewing articles; Retail services in relation to floor coverings; Retail services in relation to wall coverings; Retail services in relation to sporting articles; Retail services in relation to sporting equipment; Retail services in relation to festive decorations; Retail services in relation to toys; Retail services in relation to games; Retail services in relation to seafood; Retail services in relation to dairy products; Retail services in relation to baked goods; Retail services in relation to desserts; Retail services in relation to confectionery; Retail services in relation to chocolate; Retail services in relation to ice creams; Retail services in relation to frozen yogurts; Retail services in relation to sorbets; Retail services in relation to coffee; Retail services in relation to teas; Retail services in relation to cocoa; Retail services in relation to horticulture products; Retail services in relation to foodstuffs; Retail services in relation to fodder for animals; Retail services in relation to bedding for animals; Retail services in relation to litter for animals; Retail services in relation to beer; Retail services in relation to tobacco; Retail services in relation to computer software; Retail services for computer software; Retail services in relation to computer hardware; Retail services in relation to horticulture equipment; Presentation of financial products on communication media, for retail purposes; Retail services relating to automobile accessories; Retail services relating to automobile

parts; Retail services relating to candy; Retail services relating to delicatessen products; Retail services relating to flowers; Retail services relating to fruit; Retail services relating to furs; Retail services relating to sporting goods; Business management of wholesale and retail outlets; Business management of retail outlets; Mail order retail services for clothing; Online retail services relating to jewelry; Online retail services relating to handbags; Online retail services relating to luggage; Online retail services relating to toys; Online retail services relating to clothing; Online retail services relating to cosmetics; Retail services connected with the sale of furniture; Retail services connected with stationery; Computerised point-of-sale data collection services for retailers; Retail services relating to food; Retail store services in the field of clothing; Shop retail services connected with carpets; Presentation of goods on communication media, for retail purposes; Communication media (Presentation of goods on -), for retail purposes; Retail purposes (Presentation of goods on communication media, for -); Presentation of goods on communications media, for retail purposes; Retail services in relation to downloadable music files; Retail services in relation to downloadable electronic publications; Retail services in relation to smartwatches; Retail services in relation to wearable computers; Retail services in relation to smartphones; Retail services relating to fake furs; Retail services in relation to building materials; Retail services via catalogues related to non-alcoholic drinks; Retail services via catalogues related to alcoholic beverages (except beer); Retail services via catalogues related to beer; Retail services via catalogues related to foodstuffs; Mail order retail services related to non-alcoholic beverages; Mail order retail services related to alcoholic beverages (except beer); Mail order retail services related to beer; Mail order retail services related to foodstuffs; Retail services via global computer networks related to non-alcoholic beverages; Retail services via global computer networks related to alcoholic beverages (except beer); Retail services via global computer networks related to beer; Retail services via global computer networks related to foodstuffs; Retail services in relation to mobile phones; Retail services in relation to bakery products; Retail services in

relation to fashion accessories; Retail services in relation to pet products; Retail services in relation to bicycle accessories; Retail services in relation to clothing accessories; Retail services in relation to car accessories; Retail services in relation to hair products; Retail services in relation to gardening products; Retail services in relation to domestic electrical equipment; Retail services in relation to domestic electronic equipment; Mail order retail services for cosmetics; Online retail store services relating to cosmetic and beauty products; Online retail store services relating to clothing; Online retail store services in relation to clothing.

Class 36 Retail financing services.

Class 42 Retail design services; Interior design services for the retail industry; Architectural services for the design of retail premises; Planning and design of retail premises.

2. On 25 September 2019, adidas AG (“the applicant”) applied to have the Contested Mark declared invalid under section 47 of the Trade Marks Act 1994 (“the Act”). The applicant relies upon sections 5(2)(b), 5(3), 5(4)(a), 3(3)(a) and 3(6) of the Act.

3. Under sections 5(2)(b) and 5(3) of the Act, the applicant relies on UK trade mark registration no. 1154365 for the following mark:



4. The applicant’s mark was filed on 20 May 1981 and is registered for the following goods:

Class 25 Articles of sports clothing, articles of outerclothing; footwear being articles of clothing.

5. The application based upon section 5(2)(b) of the Act is directed against the proprietor's class 25 goods only. The opponent claims that there is a likelihood of confusion because the respective goods are identical or similar and the marks are similar.

6. The application based upon section 5(3) of the Act is directed against the registration in its entirety. The applicant claims that the earlier mark has a reputation in respect of all goods for which it is registered and that use of the proprietor's mark would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or repute of the earlier marks.

7. Under section 5(4)(a), the applicant relies on a sign identical to the mark shown in paragraph 3 above and claims that the sign has been used in respect of the following goods and services throughout the UK since 11 September 1974:

“Clothing, articles of sports clothing, articles of outerclothing; footwear; sporting equipment; retail services in connection with the aforementioned goods.”

8. The application based upon section 5(4)(a) is directed against the registration in its entirety.

9. The applicant states as follows regarding its application based upon section 3(6) of the Act:

“As described above, the Applicant's adidas trefoil device mark has been used throughout the UK since the 1950s. As a result of this use, the adidas brand has gained a substantial goodwill in the UK.

The Registered Owner will have been aware of the Applicant's earlier mark, and has clearly based the design of their mark on the Applicant's mark. This

has been done with the clear intention to mimic the Applicant's mark whilst calling to mind and glorifying illegal drug taking and addiction.

By reason of the matters aforesaid, the Registration should be declared [(sic)] invalid under Section 47(2)(a) Trade Marks Act 1994 ("TMA") on the grounds of Section 3(6) TMA."

10. The applicant states as follows regarding its claim based on section 3(3)(a) of the Act:

"The Registered Owner's mark depicts a leaf of the marijuana plant and the word "addicted". This is clearly an encouragement to use, and become addicted to, the illegal drug marijuana, and therefore glorifies drug-taking. Such a depiction is contrary to public policy on drug use and against accepted principles of morality.

By reason of the matters aforesaid, the Registration should be declared invalid under section 47(2)(a) Trade Marks Act 1994 ("TMA") on the grounds of Section 3(3)(a) TMA."

11. The proprietor filed a counterstatement denying the claims made and putting the applicant to proof of use of its earlier mark.

12. The applicant is represented by Hogan Lovells International LLP and the proprietor is represented by Novagraaf UK. The applicant filed evidence in the form of the witness statement of Sarah Talbot dated 25 February 2019. No evidence was filed by the proprietor. No hearing was requested and neither party filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

## **EVIDENCE**

13. As noted above, the only evidence filed in these proceedings was filed on behalf of the applicant in the form of the witness statement of Sarah Talbot dated 25 February 2019. This was accompanied by 11 exhibits. Ms Talbot is the Senior Director and



Trade Mark Counsel of the applicant; a position she has held since 2014. She confirms that she has worked for the applicant's group of companies since 1997.

14. Ms Talbot states that the corporate predecessor to the applicant was founded in 1949, when it started selling footwear in Germany. During the 1960s and 1970s the applicant expanded its range to include sports clothing and equipment. Between 1960 and 1988 between 75% and 80% of all athletes competed at the Olympic Games wearing products made by the applicant and by 1974, 75% of all players participating in the Football World Championship in Germany wore clothing from the applicant's range<sup>1</sup>.

15. Ms Talbot states that the applicant started exporting goods to the UK in the early 1950s and is now one of the world's leading manufacturers of clothing, footwear, headgear and sports equipment and accessories. She confirms that it produces over 650million product units every year.

16. Ms Talbot has provided a report which confirms the applicant's worldwide turnover figures as follows<sup>2</sup>:

<b>Year</b>	<b>Worldwide turnover (€ million)</b>
2016	19,291
2015	16,915
2014	14,534
2013	14,492
2012	14,883

17. In 2016, the applicant was reported as being valued at US\$7,885million and was ranked as the 60<sup>th</sup> most valuable brand in the world<sup>3</sup>. Ms Talbot also provided the reported value and rankings for the previous four years as follows:

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<sup>1</sup> Witness statement of Sarah Talbot, para. 10

<sup>2</sup> Exhibit ST1

<sup>3</sup> Witness statement of Sarah Talbot, para. 16

Year	Ranking	Value (US\$ million)
2012	60 <sup>th</sup>	6,306
2013	55 <sup>th</sup>	7,535
2014	59 <sup>th</sup>	7,378
2015	62 <sup>nd</sup>	6,811

18. I note that the applied for mark does not itself appear in these reports.

19. The applicant was ranked 3<sup>rd</sup> by Forbes Magazine in The World's Most Valuable Sports Brands 2015 with an estimated brand value of \$6.2billion<sup>4</sup>. The image used for this article is as follows:



20. Ms Talbot has provided a print out from a third-party website which ranked the applicant as 8<sup>th</sup> “coolest brand”. The print out states<sup>5</sup>:

“Since 2001, we have been canvassing the opinions of experts and consumers to produce an annual barometer of Britain’s coolest brands. The CoolBrands are chosen by the Expert Council and 2,500 members of the British public. Brands do not apply or pay to be considered.”

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<sup>4</sup> Exhibit ST2

<sup>5</sup> Exhibit ST2, page 14

21. Ms Talbot states that the applicant's mark (called "The Trefoil Logo") was created in 1971. It was first used on the applicant's goods in 1972 and notably, was worn by 1,164 of 1,490 competing athletes at the Olympic Games in Munich that year<sup>6</sup>. Ms Talbot has provided a copy of an advertising program dated 1974 which displays the following image<sup>7</sup>:



22. A Daily Mail article confirms that football club Manchester United were sponsored by the applicant between 1980 and 1992 and a number of images show players wearing kit displaying the applicant's mark between these dates<sup>8</sup>.

23. In 2002, the applicant began to use the Trefoil Logo as part of its "Sports Heritage" line. It is now part of the Originals brand which is intended to showcase 40 years of sporting heritage<sup>9</sup>. In 2016, the applicant relaunched a range of classic shoes bearing the Trefoil Logo. Ms Talbot has provided an article dated 31 May 2016 which discusses these products and displays the following images<sup>10</sup>:

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<sup>6</sup> Witness statement of Sarah Tabot, para. 24

<sup>7</sup> Exhibit ST3

<sup>8</sup> Exhibit ST3

<sup>9</sup> Witness statement of Sarah Talbot, para. 31

<sup>10</sup> Exhibit ST4



24. A second article dated 3 March 2016 states that “adidas sold more than 15 million pairs of Superstars last year” and displays the following images<sup>11</sup>:



25. Ms Talbot has provided a print out from the applicant’s website which, although undated, Ms Talbot confirms was from 2017. This shows both “Superstar” trainers for sale as well as a number of products which display the Trefoil logo including hoodies, jackets, tracksuit bottoms, sweaters, coats, leggings, dresses, t-shirts and bags<sup>12</sup>. These are listed under the sub-heading “Originals” on the website.

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<sup>11</sup> Exhibit ST4, page 8

<sup>12</sup> Exhibit ST4

26. Ms Talbot states that as well as being available for purchase directly through the applicant, Originals products are also sold through large third-party retailers including Next, JD Sports, Asos and Selfridges<sup>13</sup>. Ms Talbot provides the following figures for UK sales of Originals products sold bearing or under the Trefoil logo<sup>14</sup>:

	<b>2015 Originals UK Net Sales (EUR)</b>	<b>2016 Originals UK Net Sales (EUR)</b>
Originals Apparel	More than 55,000,000	More than 101,000,000
Originals Footwear	More than 202,000,000	More than 295,000,000
Originals Accessories	More than 5,000,000	More than 8,000,000
<b>Totals</b>	<b>More than 262,000,000</b>	<b>More than 404,000,000</b>

27. Ms Talbot also confirms that in the UK, more than 11,800,000 units were sold in 2015 and more than 17,000,000 were sold in 2017 under the Originals brand<sup>15</sup>. This includes clothing, footwear and accessories. Ms Talbot confirms that a number of stores have been opened dedicated to Originals products only, with the first opening in Berlin in 2001 and the London store opening in 2014. By 2017, there were multiple stores located across the EU<sup>16</sup>.

28. Ms Talbot states that a number of celebrities have been associated with or seen wearing clothing bearing the Trefoil logo including Kanye West, Elton John and Katy Perry<sup>17</sup>. The applicant advertises the Trefoil logo through a number of TV channels including ITV, Channel Four and Sky Sports. It also advertises regularly in magazines such as Runner's World, Men's Health, Elle, Cosmo, Marie Claire, and Vanity Fair<sup>18</sup>.

<sup>13</sup> Witness statement of Sarah Talbot, para. 35

<sup>14</sup> Witness statement of Sarah Talbot, para. 36

<sup>15</sup> Witness statement of Sarah Talbot, para. 37

<sup>16</sup> Exhibit ST4, page 17

<sup>17</sup> Exhibit ST5

<sup>18</sup> Witness statement of Sarah Talbot, para. 43

29. Ms Talbot states that the following advertising campaigns for Original products were launched in the UK by the applicant:

Year	Description
2009	House Party, featuring David Beckham, Katy Perry, Estelle and Missy Elliott in a house party-themed television commercial.
2010	Star Wars collaboration campaign featuring Daft Punk, Snoop Dogg, Ciara, Oasis' Noel Gallagher, Ian Brown, David Beckham and Jay Baruchel.
2013	United All Originals campaign created in collaboration with DJ/producer A-Trak and director/visual artist SoMe.
2015	Superstars campaign featuring Pharrell Williams, Rita Ora and David Beckham exploring whether fame was necessary for stardom.
2016	Originals "Your Future is Not Mine" campaign, featuring a number of high profile brand influencers including lifestyle blogger and model Aleali May, Iman Shumpert, singer and DJ Kyu Steed and artist Design Butler.

30. In 2016, the applicant also advertised its Originals products through a series of cubes placed in large cities across Europe (including London):





31. The applicant's marketing spend on the Originals brand in the UK and Ireland (a significant proportion of which was directed at the UK according to Ms Talbot) between 2011 and 2016 was as follows<sup>19</sup>:

Year	Marketing spend (€)
2011	225,000
2012	589,000
2013	2,190,000
2014	2,303,000
2015	3,449,000
2016	4,343,000

32. Ms Talbot confirms that the marketing spend for Originals products in the UK alone for the period January to April 2017 amounted to £861,689.

33. The applicant's Originals product range has a significant social media presence with its Facebook page having 30million 'likes', its Twitter page having 3.63million followers, its Instagram account having 17.4million followers and its YouTube channel having over 185,000 subscribers with videos being watched more than 62million times<sup>20</sup>. The Originals social media accounts all display the earlier mark on a blue background<sup>21</sup>.

34. The applicant has collaborated with different fashion businesses including a 2014/2015 collaboration with Topshop which featured products bearing the Trefoil logo, which in some instances were displayed as registered and in some instances were used in different patterns<sup>22</sup>.

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<sup>19</sup> Witness statement of Sarah Talbot, para. 48

<sup>20</sup> Witness statement of Sarah Talbot, para. 51

<sup>21</sup> Exhibit ST7

<sup>22</sup> Exhibit ST8

35. The applicant invests heavily in promoting its brand through sponsorship of high-profile sports people, sports teams and celebrities. In 2016/2017, the applicant sponsored football, tennis and basketball players including Gareth Bale and David Beckham<sup>23</sup>.

36. That concludes my summary of the evidence insofar as I consider it necessary.

## **DECISION**

37. Section 47 of the Act states as follows:

“47. –

(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(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

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<sup>23</sup> Witness statement of Sarah Talbot, para. 57



(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) But 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).

[...]

(5) Where the grounds of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(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.”

### **Section 5(2)(b)**

38. Section 5(2)(b) of the Act has application in invalidation proceedings because of the provisions set out in section 47(2)(a) of the Act. By virtue of this section, a registered trade mark may be declared invalid if there is an earlier trade mark which

satisfies the conditions under section 5(2) of the Act and the owner of the earlier mark has not consented to the registration. In circumstances in which the earlier mark completed its registration process, more than five years before the date of the application for invalidity, the use conditions must be met.

39. 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.”

40. 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, an 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.”

41. The applicant's mark qualifies as an earlier trade mark under the above provisions. The applicant's mark completed its registration process more than five years before the date of the application for invalidity and the use conditions must, therefore, be satisfied.

### **Proof of use**

42. The first issue is therefore whether, or to what extent, the applicant has shown genuine use of the earlier mark.

43. The relevant period is the five-year period ending on the date of the application for invalidity. Consequently, the relevant period for these proceedings is 26 September 2014 to 25 September 2019.

44. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114.....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 Bunderversammlung 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 [32].”

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

#### Form of the mark

46. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the CJEU found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish ‘use’ within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestle*, the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition of a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35. Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at

issue for that use to be covered by the term ‘genuine use’ within the meaning of Article 15(1)”. (emphasis added)

47. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was), sitting as the Appointed Person, summarised the test under section 46(2) of the Act as follows:

“33. ...The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

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.”

48. Although this case was decided before the judgment of the CJEU in *Colloseum*, it remains sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark.

49. There are various examples in the applicant’s evidence of the mark being used as registered. Clearly, this will be use upon which the applicant may rely. It is also important to note that registration of a mark in black and white will cover use of that mark in any colour. Therefore, where the evidence shows the marks being used in different colours, this will be an acceptable variant use of the mark upon which the applicant may rely.

50. The following variant also appears in the applicant’s evidence:





51. Although this shows the device and wording of the earlier mark arranged differently, this does not alter the mark's distinctive character as per *Nirvana*. This is, therefore, use upon which the applicant may rely.

#### Sufficient Use

52. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself<sup>24</sup>.

53. As indicated in the case law cited above, use does not need to be quantitatively significant in order to be genuine. The assessment must take into account a number of factors in order to ascertain whether there has been real commercial exploitation of the mark which can be regarded as "warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark".

54. When the applicant was ranked as the 3<sup>rd</sup> most valuable sports brand by Forbes Magazine in 2015, the earlier mark was used to represent the applicant in that article. The earlier mark has been used by the applicant since 1971 and has been worn by a number of athletes competing in the Olympic Games and other sporting events over the years, including sponsorship of high profile sportspeople. In 2002, the mark was incorporated into the applicant's Sports Heritage brand and is now part of the Originals brand. An article dated March 2016 confirms that more than 15 million pairs of shoes

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<sup>24</sup> *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

displaying the earlier mark were sold the previous year. Products displaying the mark are sold through the applicant's own stores, as well as well-known third-party retailers. More than €262,000,000 in 2015 and €404,000,000 in 2016 was made by the applicant in sales of products sold under or bearing the earlier mark. Clearly, these figures are significant. In the UK, more than 11,800,000 units and 17,000,000 units were sold in 2015 and 2017 respectively under the Originals brand. Whilst it is not clear whether all of these were sold under or bearing the earlier mark, at least a proportion of them would have been. A number of high profile advertising campaigns have been operated by the applicant to promote the earlier mark, with expenditure in the UK and Ireland (for the Originals brand) increasing year on year between 2011 and 2016, amounting to over €4million in 2016 alone. This is supported by a significant social media following of accounts which display the earlier mark. I am satisfied that the applicant has made genuine use of the earlier mark during the relevant period.

### Fair Specification

55. I must now consider whether, or the extent to which, the evidence shows use for all of the services relied upon.

56. The applicant's evidence clearly shows use of its mark for clothing and footwear. Bearing in mind the relevant case law<sup>25</sup>, I am satisfied that the applicant can rely upon all of the goods for which the earlier mark is registered.

### **Case Law**

57. 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*

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<sup>25</sup> *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10 and *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch)

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

The principles:

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

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

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

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

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

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

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

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

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

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

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

### Comparison of goods

58. As noted above, the section 5(2)(b) ground for invalidation is directed against the proprietor's class 25 goods only. The competing goods are, therefore, as follows:

<b>Applicant's Goods</b>	<b>Proprietor's Goods</b>
<u>Class 25</u> Articles of sports clothing, articles of outerclothing; footwear being articles of clothing.	<u>Class 25</u> Cloth bibs for adult diners; Clothing; Clothes; Clothing for babies; Clothing for infants; Clothing for children; Clothing of leather; Clothing made of leather; Clothing for sports; Clothes for sport; Clothes for sports; Clothing of imitations of leather; Clothing made of imitation leather; Clothing for wear in wrestling games; Clothing for leisure wear; Clothing for fishermen; Clothing for martial arts; Clothing for cycling; Clothing

	for cyclists; Clothing made of fur; Cloth bibs; Clothing for wear in judo practices; Clothing layettes; Clothing for gymnastics; Clothing for horse-riding [other than riding hats]; Clothing for skiing.
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59. The proprietor admits that the parties' goods are identical or similar. I agree. In my view, the goods are either identical (self-evidently or on the principle identified in *Merici*<sup>26</sup>) or highly similar due to an overlap in trade channels, method of use, nature, purpose and user<sup>27</sup>.

### **The average consumer and the nature of the purchasing act**

60. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer. 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”.

61. I have no submissions from the applicant on the identity of the average consumer or the nature of the purchasing process. In its counterstatement, the proprietor states:

<sup>26</sup> *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05

<sup>27</sup> *Treat* [1996] R.P.C. 281

“6. The average consumer of the category of products concerned is deemed to be reasonably well informed and reasonably observant and circumspect. It should also be borne in mind that the average consumer’s degree of attention is likely to vary according to the category of goods or services in question. In the present case, the goods are directed at the public at large whose degree of attention will be average.”

62. The average consumer for the goods will be a member of the general public. The goods are unlikely to be very expensive and are likely to be purchased reasonably frequently. Nonetheless, a number of factors will be taken into account such as aesthetic appearance, material and cut. I therefore consider that a medium degree of attention will be paid during the purchasing process.

63. The goods are likely to be purchased from the shelves of a retail outlet or their online or catalogue equivalent. The purchasing process for the goods is, therefore, likely to be dominated by visual considerations. However, given that advice may be sought from sales assistants, I do not discount that there will be an aural component to the selection of the goods.

### **Comparison of trade marks**

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

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

66. The respective trade marks are shown below:

Applicant's mark	Proprietor's mark
	

#### Overall Impression

67. The applicant's mark consists of the invented word ADIDAS in a stylised lower case font and a three-pronged device with three thick horizontal stripes across it. The overall impression of the mark lies in the combination of these elements. The proprietor's mark consists of the word ADDICTED in lower case stylised font and a leaf device with five very thin horizontal stripes across the bottom leaves. The overall impression of the mark lies in the combination of these elements.

### Visual Comparison

68. Visually, the words in each mark start with the letters AD-. However, the applicant's mark ends in the letters -IDAS and the proprietor's mark ends in the letters -DICTED. The stylisation of the words in both marks is the same; the same font has been used. Both marks have a device above them. In the proprietor's mark this is clearly a leaf. In the applicant's mark it is less clear what the device is intended to be, but the three prongs are leaf-shaped. The devices are both dissected by stripes, but there are three thick stripes in the applicant's mark and five thin ones in the proprietor's marks. Taking all of these factors into account, I consider that overall there is a low to medium degree of visual similarity between the marks.

### Aural Comparison

69. The only elements of the marks that will be pronounced will be the word elements – ADIDAS in the applicant's mark and ADDICTED in the proprietor's marks. The applicant's mark will be pronounced ADD-EEE-DAS and the proprietor's mark will be pronounced ADD-IKK-TED. The marks are aurally similar to no more than a low degree.

### Conceptual Comparison

70. The word ADIDAS in the applicant's mark is an invented word which will be attributed no particular meaning. As noted above, the device may be viewed as three leaves, but the device is certainly ambiguous in what it is meant to be. The word ADDICTED in the proprietor's mark will be given its ordinary dictionary meaning. The device in the proprietor's mark will certainly be identifiable as a leaf. I consider it likely that a number of consumers will recognise this as a marijuana leaf due to its distinctive shape, particularly when appearing alongside the word ADDICTED, although I accept that that will not be the case for all consumers. I consider the marks to be conceptually dissimilar.



## **Distinctive character of the earlier mark**

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

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

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

72. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

73. The applicant’s mark consists of the invented word ADIDAS and the three-pronged device. The word has no identifiable meaning. Overall, I consider the applicant’s mark to be inherently distinctive to a high degree. The applicant has also filed evidence to

support a claim to enhanced distinctiveness through use. The applicant is ranked highly by a number of sources in terms of worldwide brands and sports brands. The sales for clothing and footwear sold under the mark are extensive in the UK. I consider that the degree of distinctive character in the applicant's mark has been further enhanced through use.

### **Likelihood of confusion**

74. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the applicant's trade mark, the average consumer of the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

75. I have found the marks to be visually similar to a low to medium degree, aurally similar to no more than a low degree and conceptually dissimilar. I have found the earlier mark to have a high degree of inherent distinctive character which has been further enhanced through use. I have identified the average consumer to be a member of the general public or a business user who will select the services by primarily visual means (although I do not discount an aural component). I have concluded that a medium degree of attention will be paid during the purchasing process. I have found the parties goods to be either identical or highly similar.

76. Bearing in mind the degree of visual and aural similarity between the marks and the conceptual dissimilarity, and making some allowance for imperfect recollection, I do not consider that the average consumer will mistakenly recall one mark for the other. I consider that the average consumer will recognise the difference between the made-up word in the applicant's mark and the ordinary dictionary word in the proprietor's mark. I do not consider there to be a likelihood of direct confusion.

77. It now falls to me to consider the likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“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.”

78. In my view, it is likely that the proprietor's mark will call to mind the applicant's mark. This is particularly the case bearing in mind the distinctiveness (both inherent and enhanced) of the applicant's mark. However, I bear in mind the comments of James Mellor Q.C., sitting as the Appointed Person, in *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17 when he stated that a finding of indirect confusion should not be made merely because one mark calls to mind the other. This is mere association and not indirect confusion. Having identified the differences between the marks, I can see no reason why the average consumer would assume that they originated from the same or economically linked undertakings. I do not consider there to be a likelihood of indirect confusion.

### **Section 5(3)**

79. Section 5(3) of the Act has application in invalidation proceedings because of the provisions of section 47(2)(a) of the Act. For the reasons set out above, the applicant has satisfied the use conditions and is able to rely upon its full specification for the purposes of this opposition.

80. Section 5(3) of the Act reads as follows:

“5(3) A trade mark which -

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

81. As noted above, the applicant’s mark qualifies as an earlier trade mark under the provisions of section 6 of the Act.

### **Case Law**

82. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

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

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

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

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

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

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

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

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

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

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

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

## **Reputation**

84. As to the reputation of the earlier mark, it follows from my findings above that the earlier mark satisfied the requirement of a reputation<sup>28</sup> in relation to clothing and footwear. Although no market share figures have been provided, the sales figures set

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<sup>28</sup> *General Motors*, Case C-375/97

out in the applicant's evidence indicate a significant presence in the market which is supported by the social media following and press coverage.

## **Link**

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

### The degree of similarity between the conflicting marks

For the reasons set out above, I consider there to be a low to medium degree of visual similarity between the marks, no more than a low degree of aural similarity between the marks and no conceptual similarity between the marks.

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

I have found the proprietor's goods in class 25 to be identical or highly similar to the applicant's goods.

However, as noted above the application under section 5(3) is also directed at the proprietor's class 35, 36 and 42 services. I will, therefore, now turn to consider the similarity of these services with the applicant's goods.

#### *Proprietor's class 35 services*

"Mail order retail services connected with clothing accessories", "Mail order retail services for clothing accessories", "Retail services connected with the sale of clothing and clothing accessories", "Retail services in relation to bags", "Mail order retail services for clothing", "Online retail services relating to handbags", "Online retail services relating to clothing", "Retail store services in the field of

clothing”, “Retail services in relation to fashion accessories”, “Retail services in relation to clothing accessories”, “Online retail store services relating to clothing” and “Online retail store services in relation to clothing” in the proprietor’s specification are all types of retail services which relating to clothing, footwear or clothing accessories. These will all overlap in trade channels with the applicant’s goods. There will be an overlap in users and the goods/services are complementary. The goods and services clearly differ in nature. I consider the goods and services to be similar to a higher than medium degree.

“Retail services in relation to diving equipment”, “Retail services in relation to physical therapy equipment”, “Retail services in relation to sporting articles”, “Retail services in relation to sporting equipment” and “Retail services relating to sporting goods” in the proprietor’s specification are all retail services which relate to sports or physical exercise equipment. As the applicant’s goods are specifically sports related, there may be a degree of overlap in trade channels between these goods and services. There may also be a degree of complementarity. It is not unusual for sporting shops to specialise in both sports clothing and equipment. Equipment used in physical therapy may also be purchased from sports shops. I consider these goods and services to be similar to a medium degree.

The following services in the proprietor’s specification are all services that would be provided by specialist businesses to businesses in the retail sector:

Retail shop window display arrangement services; Management of a retail enterprise for others; Administration of the business affairs of retail stores; Business management of wholesale and retail outlets; Business management of retail outlets; Computerised point-of-sale data collection services for retailers; Presentation of goods on communication media, for retail purposes; Communication media (Presentation of goods on -), for retail purposes; Retail purposes (Presentation of goods on communication media, for -); Presentation of goods on communications media, for retail purposes.



The user of these services will differ to the user of the applicant's goods. There will be no overlap in nature, trade channels, method of use or purpose. They are neither complementary nor competitive. I consider the services to be dissimilar to the applicant's goods.

The remaining services in class 35 of the proprietor's specification are all retail services relating to goods that differ to the applicant's goods. Whilst the users may overlap on a superficial level, there will be no overlap in user, use, method of use, trade channels or nature. They are neither competitive nor complementary. I consider them to be dissimilar to the applicant's goods.

#### *Proprietor's class 36 services*

The proprietor's class 36 services are services which would be provided by specialist financial service providers to retail businesses. There is no overlap in user, use, method of use or nature with the applicant's goods. The goods and services are neither competitive nor complementary. I consider the goods and services to be dissimilar.

#### *Proprietor's class 42 services*

The proprietor's class 42 services are services which would be provided by specialist businesses to retail businesses. There is no overlap in user, use, method of use or nature with the applicant's goods. The goods and services are neither competitive nor complementary. I consider the goods and services to be dissimilar.

#### The strength of the earlier marks' reputation

I consider the earlier mark to have a strong reputation in the UK.

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

I have already found that the earlier mark has a high degree of inherent distinctive character, which is further enhanced through use.

#### Whether there is a likelihood of confusion

I have found there to be no likelihood of confusion between the marks.

86. As noted above, whilst I consider only some of the proprietor's goods and services to be similar to the applicant's goods, I consider it likely that a link will be made by the consumer in respect of all the goods and services for which the proprietor's mark is registered. This is due to the strength of the applicant mark's reputation. The reputation of the applicant's mark is such that, in any context, the consumer is likely to recognise that the proprietor's mark is based upon the applicant's mark. I accept that there may be some consumers who do not recognise the device in the proprietor's mark as a marijuana leaf. For those consumers, a link is likely to be made in terms of a similar shape device used in combination with a word starting with AD- presented in the same font. For those consumers who do recognise the device to be a marijuana leaf, the link will be made in the sense of the proprietor's mark parodying the applicant's mark with reference to an illegal drug. In both cases, a link will be made in the mind of the consumer in respect of all goods and services for which the proprietor's mark is registered.

#### **Damage**

87. I must now assess whether any of the three pleaded types of damage will arise.

#### Detriment to Repute

88. Detriment to repute, or tarnishing, is a reduction in the attractive power of the earlier mark, caused by the use of the later mark. As explained in the case law cited above, tarnishing may arise either when the later mark itself creates negative associations or where the goods and/or services on which it is used are incompatible with the image of the earlier mark.

89. In this case, the goods for which the proprietor's mark is registered are not, of themselves, incompatible with the applicant's image in any way. However, for those consumers who do recognise the marijuana leaf in the proprietor's mark, the concept of addiction and illegal drugs is one that the applicant will, undoubtedly, not want to be associated with. This is particularly the case given that the applicant is predominantly a sports clothing brand which sponsors athletes and sports teams.

90. I recognise that consumers may recognise the proprietor's mark as a parody of the applicant's mark, but that connection alone in the mind of the consumer is enough to cause detriment to the applicant's reputation<sup>29</sup>. Even where the proprietor's mark is used on goods and services which are dissimilar to the applicant's goods, the fact that a link will still be made will mean that the association between the applicant and the illegal drug referred to in the proprietor's mark will be made.

91. I accept that there will be some members of the relevant public who do not identify the device in the proprietor's mark as a marijuana leaf. For those consumers, the damage to the applicant's reputation will not occur. However, the fact that there will be a significant section of relevant consumers who do recognise the device as a marijuana leaf, particularly when the image is used in combination with the word "addicted", is sufficient for use of the proprietor's mark to cause detriment to the reputation of the applicant's mark. The opposition under section 5(3) succeeds under this type of damage.

### Unfair Advantage

92. I now turn to the question of whether the use of the proprietor's mark would take unfair advantage of the reputation of the applicant's mark. Unfair advantage has no effect on the consumers of the earlier mark's goods. Instead, the taking of unfair advantage of the distinctive character or reputation of an earlier mark means that consumers are more likely to buy the goods and services of the later mark than they

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<sup>29</sup> *Fraud Music Company v Ford Motor Company*, Case BL-O/504/13 (TMR)

would otherwise have been if they had not been reminded of the earlier mark. Essentially, the later mark will get a marketing or commercial 'leg-up' because the link with the earlier, reputed mark means that the owner of the later mark does not have to put as much effort into making the later mark known because it already feels familiar or sends a message to consumers as to what they can expect.

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

“80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

94. In *Lonsdale Sports Limited v Erol*, [2013] EWHC 2956 (Ch), Norris J. rejected a claim that there was a likelihood of confusion between the appellant's mark and the respondent's mark. However, he found that:

“34. As I have said above, at a first glance the block of text in the Respondent's Mark looks like something that Lonsdale might be connected with (a first impression soon dispelled in the case of the average consumer). But that first glance is important. Those who look at the wearer of a product bearing the Respondent's Mark might not get more than a glance and might think the

wearer was clad in a Lonsdale product. The creation of that illusion might be quite enough for the purchaser of a "look-alike" product: indeed who but such a person would knowingly buy a "pretend" product? Further, it undoubtedly dilutes the true "Lonsdale" brand by putting into circulation products which do not proclaim distinctiveness but rather affinity with a reputable brand.

35. In my judgment the case under s.5(3) was made out on the evidence as found by the Hearing Officer."

95. I consider that to be the case here. The way in which the proprietor's mark has been based upon the applicant's mark will create a degree of familiarity for consumers when confronted with the proprietor's mark. This will give the proprietor an unfair advantage and a commercial leg-up as it will not be required to go through the same marketing effort and expense in the same way as the applicant did. This will apply to the relevant public at large, whether or not they recognise the device in the proprietor's mark as a marijuana leaf. The fact that the proprietor has chosen to base its mark upon, or parody, the applicant's mark is sufficient to result in the advantage gained being regarded as unfair.

96. The opposition under section 5(3) succeeds in respect of those goods and services that I have found to be similar to the applicant's goods.

#### **Section 5(4)(a)**

97. Section 5(4)(a) of the Act has application in invalidation proceedings because of the provisions of section 47(2)(b) of the Act. By virtue of this section, a registered trade mark may be declared invalid if there is an earlier right which satisfies the conditions under section 5(4)(a) of the Act, provided the owner of the earlier right has not consented to the registration.

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

"5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

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

99. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. 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 three limbs.

56. In relation to deception, the court must assess whether “*a substantial number*” of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

### **Relevant date**

100. There has been no suggestion by the proprietor that it has used its mark prior to the date of the application for registration. The relevant date for the assessment of the passing of claim is, therefore, the date on which the contested mark was applied for i.e. 15 May 2017.

## **Goodwill**

101. I bear in mind the guidance set out in the judgment of the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), by Pumfrey J in *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC) and by Floyd J (as he then was) in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat).

102. Goodwill arises as a result of trading activities. For the reasons set out previously in this decision, it is undeniable that the applicant has been trading on a significant scale in relation to “Articles of sports clothing, articles of outerclothing; footwear”. The applicant also claims that its goodwill extends to “Clothing”, “Sporting equipment” and “Retail services in connection with the aforementioned goods”.

103. It is clear to me that the applicant has used the sign in relation to a wide range of clothing. I am satisfied that the applicant has goodwill in relation to “clothing”. It is also clear to me that the applicant’s mark has goodwill in relation to “retail services in connection with clothing, articles of sports clothing, articles of outerclothing and footwear”. However, I have seen no examples in the applicant’s evidence of trading activity in relation to sporting equipment or retail services for those goods.

104. I am, therefore, satisfied that the applicant has a strong goodwill in relation to:

“Clothing, articles of sports clothing, articles of outerclothing; footwear; retail services in connection with the aforementioned goods.”

## **Misrepresentation and damage**

105. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“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] R.P.C. 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 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

106. *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 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."

107. It has been long established that misrepresentation can be more readily inferred where there is intent to deceive (see *Office Cleaning Services Limited v Westminster*

*Window & General Cleaners Limited* [1946] RPC 39 (HOL)). However, in the current case it is far from obvious that such intent is present. In my mind, there is no doubt that inspiration has been taken from the applicant's sign. Notwithstanding this, there is no evidence that this was any more than an attempt to parody the applicant's mark. If the proprietor's intent was to deceive, then my finding that there is no likelihood of confusion under section 5(2)(b) shows that it has failed. I recognise that there is a difference between the test for misrepresentation and the test for likelihood of confusion. However, both tests are intended to be normative measures to exclude those who are unusually careful or careless (as per Jacob L.J. in *Reed Executive Plc v Reed Business Information Ltd* [2004] RPC 40) and therefore, there are parallels between the two.

108. Bearing all of this in mind, I consider that whilst the proprietor's mark may bring the applicant's mark to mind, it will not lead to misrepresentation and the ground of invalidation based upon section 5(4)(a) of the Act must fail.

### **Section 3(3)(a)**

109. Section 3(3)(a) of the Act has application in invalidation proceedings because of the provisions set out in section 47(1) of the Act. By virtue of this section, a registered trade mark may be declared invalid if it has been registered in breach of section 3 of the Act.

110. Section 3(3)(a) of the Act states as follows:

“(3) A trade mark shall not be registered if it is –

(a) contrary to public policy or to accepted principles of morality; [...]"

111. Section 3(3)(a) seeks to prevent registration of marks which are contrary to public policy or accepted principles of morality, whilst bearing in mind the importance of upholding the right to freedom of expression.

112. In making this assessment, I must assess the mark's impact from an objective viewpoint, at the date it was applied for. In *Ghazilian's Trade Mark Application* [2002] E.T.M.R. 57, Simon Thorley Q.C., sitting as the Appointed Person, referred to the exceptional nature of a case where registration should be denied to a mark. In particular, Mr Thorley cautioned that the fact that a section of the public would find the mark offensive may invoke the provision, but mere distaste is not enough:

“21 Section 3(3) refers to “accepted principals of morality”. In any given social group, there are certain standards of behaviour or moral principals which society requires to be observed and there are standards of conduct which are widely shared. Society requires this so as to ensure that religious, social or family values are not unreasonably undermined. Accordingly it is right that in an exceptional case where the trade mark selected contravenes these standards it should be denied registration. Since however the primary objective of the system of registration of trade marks is to protect both traders and the public and since the system does not prevent a trader using a mark but merely denies him the protection of registration, it is only in cases where it is plain that an accepted principle of morality is being offended against that registration should be denied. Mere offence to a section of the public, in the sense that that section of the public would consider the mark distasteful, is not enough.”

However, he stated that section 3(3)(a) would apply if the mark would:

“[...] justifiably cause outrage or would be the subject of justifiable censure as being likely to cause outrage or would be the subject of justifiable censure as being likely to undermine current religious, family or social values. The outrage or censure must be amongst an identifiable section of the public and a higher degree of outrage or censure amongst a small section of the community will no doubt suffice just as lesser outrage or censure amongst a more widespread section of the public will also suffice.”

113. Underlying the test to be applied when deciding whether a mark should be subject to censure under section 3(3)(a) is the basic right to freedom of expression. In

*Woodman v French Connection Ltd* [2007] E.T.M.R. 8, Richard Arnold Q.C., sitting as the Appointed Person, stated:

“It follows that registration should be refused only where it is justified by a pressing social need and is proportionate to the legitimate aim pursued. Furthermore, any real doubt as to the applicability of the objection should be resolved by upholding the right to freedom of expression and thus by permitting the registration...”

114. The applicant’s mark is not relevant to my assessment under this ground; the test I must apply is based upon the intrinsic qualities of the proprietor’s mark only. I accept that there will be some individuals who do not recognise the device element of the proprietor’s mark as a reputation of a marijuana leaf. For those individuals, the presence of the word ADDICTED will have no context. However, I consider that there will be an identifiable significant section of the public who will recognise the proprietor’s mark as including a representation of a marijuana leaf. For those consumers, the proprietor’s mark will convey a clear message relating to addiction to illegal drugs. The registration of the proprietor’s mark, therefore, undermines principles of accepted social values. The fact that the proprietor suggests that they are involved with the movement to seek legalisation of cannabis or the use of cannabis for medical purposes does not alter my view on this. Firstly, whether or not there is a movement to seek legalisation of cannabis, it has not yet been and may never be legalised in the UK. Secondly, the use of the word ADDICTED in the proprietor’s mark goes beyond the suggestion of recreational or medical use of the drug but to a social issue of dependency upon drugs. I, therefore, consider that the proprietor’s mark is contrary to public policy and/or accepted principles of morality.

115. The application based upon section 3(3)(a) of the Act succeeds.

### **Section 3(6)**

116. The final ground relied upon by the applicant is section 3(6) of the Act. To my mind, this ground of invalidation stands or falls with the application for invalidity based upon section 5(3) of the Act. I do not, therefore, consider it necessary for me to

determine this ground as I have already found in the applicant's favour under two of the grounds of invalidity and the application based upon this ground does not improve the applicant's position.

## **CONCLUSION**

117. The application for invalidity succeeds in its entirety and the Contested Mark is hereby declared invalid in respect of all goods and services for which it is registered. Under section 47(6) of the Act, the registration is deemed never to have been made.

## **COSTS**

118. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£1,550** as a contribution towards the costs of proceedings. The sum is calculated as follows:

Preparing a statement and considering the proprietor's statement	£450
Preparing evidence	£900
Official fee	£200
<b>Total</b>	<b>£1,550</b>

119. I therefore order Addicted Original Ltd to pay adidas AG the sum of £1,550. This sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

**Dated this 30<sup>th</sup> day of July 2019**

**S WILSON**  
**For the Registrar**