0/702/19

TRADE MARKS ACT 1994

TRADE MARK REGISTRATION No. 2534202

IN THE NAME OF BM POLYCO LIMITED

AND

APPLICATION No. 502309 BY ANSELL LIMITED

FOR A DECLARATION THAT THE TRADE MARK IS INVALID

Background and pleadings

- 1. On 26th October 2018, Ansell Limited of Australia ("the applicant") applied for the invalidation of trade mark 2534202, which consists of the word Dyflex ("the contested mark").
- 2. The contested mark was applied for on 11th December 1999 and registered on 2nd April 2010. The trade mark was, and remains, registered in the name of BM Polyco Limited ("the proprietor"). It is registered in relation to:
 - "Class 9: Gloves for industrial purposes for protection against injury; Gloves for industrial use for protection against accidents; Gloves for protection against accidents; Gloves for protection against injury; Gloves for the protection of the wearer to prevent injury; Protective gloves for industrial use for the prevention of accident or injury; Protective gloves for use in industry for the prevention of accident or injury; Safety gloves for protection against accident or injury."
- 3. The applicant claims that the registration of the contested mark was contrary to s.5(2)(b) of the Trade Marks Act 1994 ("the Act") because of a likelihood of confusion with earlier EU trade mark 495424, which consists of the word HYFLEX. The earlier mark was applied for on 24th March 1997 and registered on 23rd October 1998. It is registered in relation to "*Industrial work gloves; protective gloves*."
- 4. The applicant therefore requests that the registration of the contested mark be declared invalid under s.47(2) of the Act. The relevant parts of s.47 are as follows:
 - "47(2) The registration of a trade mark may be declared invalid on the ground-
 - (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
 - (b) -

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) -
- (3) -
- (4) -
- (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."

- 5. The earlier EU trade mark was registered more than 5 years before the date of the application for invalidation. Consequently, the enforcement of the applicant's rights is subject to proof of use of the earlier mark in the EU in the period 27th October 2013 to 26th October 2018 ("the relevant period").
- 6. The proprietor filed a counterstatement denying the ground for invalidation of the contested mark. I note that the proprietor:
 - (i) admitted that the registered goods are identical;
 - (ii) put the applicant to the proof of use of the earlier mark;
 - (iii) admitted that there are "some resemblances between the marks" but denied that they are closely similar;
 - (iv) claimed that 'Flex' is an abbreviation for 'flexible' and is therefore descriptive of, and non-distinctive for, the goods at issue;
 - (v) claimed that the relevant average consumer is a sophisticated professional who pays a high degree of attention during the selection process and is unlikely to be confused;

- (vi) claimed that the contested mark had been used in the UK for 17 years without confusion with the earlier mark;
- (vii) claimed that the applicant has acquiesced to the use of the contested mark for a continuous period of 5 years following its registration and that the application is therefore prevented by s.48(1) of the Act.
- 7. Both sides seek an award of costs.

Representation

8. The proprietor is represented by Dentons UK and Middle East LLP. The applicant is represented by Haseltine Lake Kempner LLP. A hearing took place on 23rd October 2019 at which Mr Daniel Selmi appeared as counsel for the proprietor. Mr Christopher Morris of Haseltine Lake Kempner appeared on behalf of the applicant.

The evidence

- 9. The applicant's evidence consists of a witness statement dated 14th March 2019 (with 23 exhibits) by Nicolas Roux who is the applicant's Senior Marketing Director. The main purpose of Mr Roux's evidence is to show that the earlier mark was put to genuine use in the relevant period.
- 10. The proprietor's evidence consists of two witness statements. The first (with 25 exhibits) is dated 17th June 2019 and is by Mr Nicholas Finney. Mr Finney is the Head of Supply Chain of Polyco Healthline, the proprietor's parent company. The main purpose of Mr Finney's evidence is to show that the contested mark has been used in the UK since 2001. He also gives evidence that the parties use some of the same distributors and have appeared at the same trade exhibitions. The second witness statement tended on behalf of the proprietor (with 11 exhibits) is from Ms Daisy Robson-Odugbemi, who is a paralegal with Dentons. The purpose of Ms Robson-Odugbemi's evidence is to show that FLEX is non-distinctive in relation to safety gloves. To this end she provides the results of searches of UK, EU and WIPO trade mark registers for marks including the word FLEX, searches of the internet for 'FLEX' and 'safety gloves', and a search of the British Safety Industry 2015

Reference Guide, which showed FLEX being used as part of five brands used for safety gloves/safety clothing.

Proof of use of EU495424

11. Section 100 of the Act states that:

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

12. In Walton International Ltd & Anor v Verweij Fashion BV^1 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) I-4237. Case C-442/07 Verein [2006] ECR Radetsky-Order Bundervsvereinigung 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 Merken 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:

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¹ [2018] EWHC 1608 (Ch)

- (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]."
- 13. According to Mr Roux, the HYFLEX mark is used in relation to a longstanding range of industrial work gloves and protective gloves. These gloves are used in, inter alia, the food processing, automotive, machinery and equipment, metal fabrication

and chemical industries. Mr Roux provides a copy of the applicant's "most recent" product brochure showing its HYFLEX products². I note that:

- (i) the trade mark is used both on, and in relation to, safety gloves;
- (ii) the mark is used in the form HyFlex;
- (iii) the descriptions of the products emphasise that the gloves provide good dexterity, grip and flexibility;
- (iv) There is nothing to indicate that this brochure was used during the relevant period.
- 14. Mr Roux says that "the applicant's goods have been sold and shipped from the UK under the HYFLEX mark in a large number of European member states including Belgium." He provides some packing lists said to show this³. In fact, the four packing lists in evidence, which are dated 11th February 2014, show shipments of HyFlex gloves from Belgium to addresses in the UK and (in one instance) Ireland.
- 15. Mr Roux provides figures showing the amounts the applicant spent promoting products under the mark in the UK between 2014 and 2018. These show that the applicant spent between EUR175k and EUR388k per annum. He also provides approximate UK sales figures "of HYFLEX-branded products" for the same period. These show that the applicant sold \$7.7m to \$8.4m worth of HYFLEX products per annum during this period⁴.
- 16. This is confirmed by copies of 10 invoices dated between 28th September 2017 and 8th September 2018 for HyFlex gloves delivered to UK addresses from a shipping address in Belgium. These invoices are on Ansell headed notepaper, although the only company named (at the bottom of the pages) is Ansell Healthcare Europe NV.

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² See exhibit Ansell 2

³ See exhibit Ansell 3

⁴ As the applicant is an Australian company, I take the sales figures provided to be in Australian dollars. At my request, the applicant provided a supplementary witness statement from Mr Roux which explained that the applicant's HYFLEX gloves wholesale for between £2 and £18.

- 17. Exhibits Ansell 6 to Ansell 13 consist of product catalogues, marketing leaflets and brochures showing use of the HYFLEX mark (often as HyFlex) which Mr Roux says are from the period 2014 to 2017. I note that exhibit Ansell 8 (a product brochure which Mr Roux says is from 2015) provides office addresses for Ansell Healthcare Europe NV in Belgium and Ansell (UK) Limited in the UK.
- 18. Finally, Mr Roux gives details of various trade shows which the applicant attended during the relevant period, all of which were in the UK. Mr Roux provides copies of pictures of the applicant's stands at various trade shows during the relevant period⁵. The Hyflex mark can be seen on four of these pictures⁶. Two of them show use of the mark on safety gloves. Another picture shows the mark in use on a poster at a trade show in Donnington in September 2016.
- 19. Mr Selmi reminded me of the guidance given by Mr Daniel Alexander QC as the Appointed Person in Awareness Ltd v Plymouth City Council⁷ that "evidence of use must be sufficiently specific and solid to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled", Mr Alexander's further comments as the Appointed Person in Guccio Gucci SPA v Gerry Weber International AG⁸ to the effect that parties should file their best evidence of use 'up front', as well as Mr Geoffrey Hobbs QC's comments in Dosenbach-Oshsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd⁹ to the effect that the worth of evidence of use can properly be assessed by reference to what it shows and how specific it is.
- 20. On the basis of this guidance, Mr Selmi launched a wide-ranging attack on the applicant's evidence of use. He pointed out that:
 - (i) Much of the applicant's exhibited evidence is undated;
 - (ii) The packing lists making up exhibit Ansell 3 do not explain types of products being shipped or their cost;

⁵ See exhibits Ansell 17 to Ansell 22

⁶ See exhibits Ansell 18 to 21

⁷ Case BL O/236/13

⁸ Case BL O/424/14

⁹ Case BL O/404/13

- (iii) The applicant has not explained how the approximate figures for marketing and sales under the HYFLEX mark were calculated;
- (iv) The breakdown of the marketing expenditure provided in exhibit Ansell 4 appears to include marketing in other EU Member States, not just the UK as claimed by Mr Roux;
- (v) Most of the use of HYFLEX shown appears to be use of the mark by Ansell Healthcare Europe NV, not the applicant, and there is no explanation of the relationship between these companies;
- (vi) The invoices in evidence only cover a relatively short 8-month period and therefore do not show use throughout the relevant period.
- 21. Mr Selmi also made a number of other more detailed criticisms of the applicant's evidence. For example, he pointed out that although the 2016 Newsletter making up exhibit Ansell 10 is dated and shows use of the HYFLEX mark, there is no evidence that it was posted and/or no explanation as to whom it was sent.
- 22. The proprietor's position is that the applicant's evidence does not show the required scale and frequency of use of the mark, the true geographical extent of any use, or that any use shown was by the applicant. Accordingly, it does not show genuine use of the HYFLEX mark during the relevant period.
- 23. Section 100 of the Act places the burden of proving use on the applicant. However, these are civil proceedings and the usual civil standard of evidence applies, i.e. the balance of probability. Further, as Mr Morris pointed out on behalf of the applicant, it is well established that the evidence must be considered as a whole. Consequently, even though a forensic examination of each individual piece of evidence may reveal that, considered in isolation, none of the pieces establish genuine use of the mark during the relevant period, when the pieces are taken together the evidence may nevertheless paint a clear enough picture that genuine use took place ¹⁰.

¹⁰ See, for example, New Yorker SHK Jeans v OHIM, General Court, Case T-415/09

- 24. The applicant did not ask to cross examine Mr Roux on his evidence. This would have been the proper course if it wanted to undermine the veracity of his evidence about the approximate sales and marketing figures he gave supporting use of the HYFLEX mark. Provided that it is sufficiently specific, and apparently credible, there would have to be a good reason for me to reject his evidence. Mr Roux is specific about the scale and length of the use of the HYFLEX mark in the UK in relation to safety gloves. His sales and marketing figures may be approximate, but they are still reasonably specific. And taken together, his exhibits support what he says. I find most of the proprietor's approach to his evidence rather piecemeal. Some of the criticisms are simply nit-picking. In the absence of cross examination, the only points of any substance are that:
 - (i) The proprietor has not explained the relationship between the primary user of the HYFLEX mark in the EU Ansell Healthcare Europe NV and the applicant;
 - (ii) The list of marketing expenditure making up exhibit Ansell 4, which is supposed to be breakdown of UK marketing, appears to include some marketing in the Benelux, Germany and France.
- 25. As to the first point, I am prepared to infer from the invoices and other materials produced by Mr Roux on behalf of the applicant that the use of the mark by Ansell Healthcare Europe NV and Ansell (UK) Limited was with the applicant's consent. As to the second point, it is true that the contents of exhibit Ansell 4 indicate that Mr Roux included some marketing outside the UK in his figures for the amounts spent on UK marketing. However, as the earlier mark is an EU trade mark and the Benelux, Germany and France are also within the EU, this does not materially undermine the applicant's case that there was genuine use of the mark in the EU during the relevant period.
- 26. Mr Morris accepted at the hearing that "industrial work gloves; industrial protective gloves are fair descriptions of the goods for which genuine use of HYFLEX has been shown. I find accordingly.

The section 5(2)(b) ground for invalidation

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

Comparison of goods and services

28. It appears to be common ground that the respective goods are the same.

The average consumer and the selection process

- 29. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question¹¹.
- 30. The proprietor submits that the goods at issue are bought by professional users. Further, as the goods are for personal protection and safety, users will pay a high degree of attention during the selection process. Further still, even if the goods are sometimes selected by members of the general public for DIY use, the need to choose a product that provides adequate personal protection will ensure that a high level of attention is paid during the selection process.
- 31. The applicant submits that the relevant consumer could be a professional or a member of the general public. Further, even where the consumer is a professional, the level of attention paid may be average, or even low, when the goods are used on a daily basis.

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¹¹ CJEU, Lloyd Schuhfabrik Meyer, Case C-342/97

- 32. I accept that the average consumer will usually be a professional, or a business selecting goods for use by its employees, but it could include members of the general public selecting protective/safety gloves for use in DIY tasks.
- 33. Although the level of attention paid to the goods may vary at different times, the crucial time is during the process of selecting the products¹². This is because a likelihood of confusion during the selection process has by far the most potential to affect the functions of the earlier trade mark.
- 34. It is clear from the evidence that the qualities of protective and safety gloves vary considerably depending on the types of tasks for which they are designed. For example, some are made to provide protection against cuts and abrasions, whilst others are designed to prevent harm from exposure to dangerous substances or irritants. Therefore, whether the user is a professional or a member of the general public, he or she is likely to pay an above average level of attention when selecting the goods so as to ensure his or her personal safety. An employer selecting gloves for use by its employees is, if anything, likely to pay an even higher level of attention so as to meet its obligations to protect the health and safety of its employees. I therefore find that relevant average consumers will pay at an above average degree of attention (or higher) when selecting the goods at issue.
- 35. The goods are likely to be selected mainly by eye, from brochures, leaflets, internet sites or physical display stands. However, word of mouth recommendations may play some part in the selection process so the degree of aural similarity between the marks is of some relevance.

Distinctive character of the earlier trade mark

36. In *Lloyd Schuhfabrik Meyer & Co. GmbH* v *Klijsen Handel BV*¹³ the CJEU stated that:

¹² See the paragraph 40 of the judgment of the CJEU in Case C-361/04, P Ruiz-Picasso and Others v OHIM

¹³ Case C-342/97

- "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 *WindsurfingChiemsee* v *Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
- 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."
- 37. The applicant accepts that -FLEX indicates 'flexibility' which is a desirable characteristic of protective/safety gloves, i.e. gloves which are flexible enough to allow the user to feel, grip and handle items with reasonable dexterity. Mr Morris was therefore constrained to accept that FLEX is not distinctive in relation to the goods at issue. However, he pointed out that the earlier mark is HYFLEX, not HIGH FLEX, or even HI[GH] FLEX. Accordingly, he submitted that the earlier mark <u>as a whole</u> has an average or normal degree of inherent distinctive character.
- 38. For his part, Mr Selmi submitted that HYFLEX indicates high flexibility and is therefore low in inherent distinctive character in relation to the goods at issue.
- 39. I accept HYFLEX conveys the idea of high flexibility, but I also accept Mr Morris's point there is a certain degree of disguise in the visual presentation of the mark. This means that HYFLEX will not strike the average consumer, at least to the eye, as a

true descriptive term. The position is different from an aural perspective because the difference between HYFLEX and HIGH FLEX is likely to be lost when the mark is spoken. Even when seen, the mark clearly alludes to the flexible quality of the gloves. I therefore find that HYFLEX is a mark of below average inherent distinctiveness.

40. Although the applicant has filed evidence of use of the earlier mark, it has not advanced a case that the distinctive character of the earlier mark had been enhanced through use by the date of the application to register the contested mark, i.e. 11th December 1999 ("the relevant date). I therefore find that, at the relevant date, the earlier mark possessed a below average degree of distinctiveness.

Comparison of marks

41. The respective trade marks are shown below:

HYFLEX	Dyflex
Earlier trade mark	Contested trade mark

- 42. I note that normal and fair use of HYFLEX would include Hyflex. I will take this into account.
- 43. The CJEU stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*¹⁴ 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."

¹⁴ Case C-591/12P

- 44. From a visual perspective, I note that the marks are the same length and share 5 letters, which appear in the same order (-YFLEX). However, the first letter of the word marks differs ('H' v 'D'). It is well established that as consumers read from left to right, the beginnings of marks tend to make more impact than the ends¹⁵. The beginnings of these marks are HY- and DY-, not just 'H' and 'D'. Consequently, the beginnings of the marks are not completely different. Nevertheless, the different first letter has a significant impact on the way the marks look. I therefore find that the marks as wholes are visually similar to a medium degree. I should make it clear that in coming to this finding I have not accepted the proprietor's submission that the distinctive and dominant elements of the marks are HY and DY, respectively. In the context of single word marks, this submission goes too far because it involves artificial dissection of the marks.
- 45. From an aural perspective, both marks consist of two syllables and will be spoken as HIGH-FLEX and DIE-FLEX, respectively. Again, the beginnings of the marks sound different, but not completely different. The ends of the marks are the same. The general rule about the beginnings of marks making more of an impact than the ends also applies to phonetic comparisons. This is because consumers tend to place verbal emphasis on the beginnings of word marks. Overall, I find that the marks are aurally similar to a medium degree.
- 46. Conceptually, when used in relation to protective/safety gloves, the HYFLEX mark conveys the idea of high flexibility. The Dyflex mark is said to be derived from the trade mark Dyneema¹⁶, and the abbreviation Flex, which is used to indicate the flexibility of the gloves. The latter point would be apparent to average consumers. The former would not. Therefore, Dyflex conveys no overall meaning to average consumers, whereas HYFLEX (as a whole) has a conceptual meaning. Despite the shared idea of 'flexibility' (from -FLEX), only one of the marks has a readily apparent

¹⁵ See, for example, the judgment of the General Court in *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02. This is a general rule, not an absolute one. Similar endings may outweigh different beginnings, particularly where the beginning of the marks is descriptive. See, for example, *CureVac GmbH v OHIM*, T-80/08.

¹⁶ A third-party trade mark used in relation to the material from which the proprietor's products are made. The third party is said to have consented to the proprietor's mark.

overall meaning. The immediately graspable concept of HYFLEX will therefore help to counteract the visual and aural similarities with Dyflex¹⁷.

<u>Likelihood of confusion</u>

47. The likelihood of confusion must be assessed at the relevant date in 1999.

48. 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, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *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

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¹⁷ CJEU, Case C-361/04, P Ruiz-Picasso and Others v OHIM at paragraph 16

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) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (f) 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;
- (g) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (h) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.
- 49. Part of the applicant's case is that there is a likelihood of confusion through indirect confusion, i.e. that consumers will realise that the marks are different but assume that DYFLEX is a variant of HYFLEX and used by the same undertaking. In *L.A. Sugar Limited v By Back Beat Inc.*¹⁸, Mr Iain Purvis Q.C., as the Appointed Person, explained that instances of such confusion are most likely to fall into one of the following three categories:
 - "(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).
 - (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE",

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¹⁸ Case BL O/375/10

"MINI" etc.).

- (c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ("FAT FACE" to "BRAT FACE" for example)."
- 50. This is clearly not an exhaustive list. The applicant's case is closest to the third category described above. However, unlike FAT and BRAT in Mr Purvis's example, DY- has no apparent meaning in relation to protective/safety gloves. I therefore see no reason why average consumers would consider Dyflex to be a logical brand extension of Hyflex. Consequently, I reject the applicant's submission about a likelihood of indirect confusion.
- 51. Despite the identity of the goods, if the only element in common between the marks was the -FLEX endings, which are non-distinctive, I would have no hesitation in also rejecting the applicant's claim of a likelihood of direct confusion. However, as I have explained, there is a little more visual and aural similarity between Dyflex and HYFLEX than just the endings -FLEX. Mr Selmi drew my attention to *Fil Ltd v Fidelis Underwriting* ¹⁹ in which Arnold J. found that the high level of attention paid by consumers of insurance services was sufficient, with other factors, to avoid a likelihood of confusion between FIDELIS and FIDELITY. Although not decisive, the above average level of attention paid by average consumers when selecting the goods at issue is a factor which reduces the likelihood of direct confusion, e.g. through imperfect recollection of Dyflex as HYFLEX (or vice versa).
- 52. The proprietor relies on the concurrent use of the marks, without confusion, as evidence that there was no likelihood of confusion at the relevant date. It is not clear how long the earlier mark has been in use. The applicant's witness says that HYFLEX has been used in relation to a <u>longstanding</u> range of industrial work gloves and protective gloves. It is clear that the mark was used on a significant scale in the UK in the period 2013 2018.

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¹⁹ [2008] EWHC 1097 (Pat)

- 53. Mr Finney's evidence, on behalf of the proprietor, is that the contested mark has been in use in the UK since 2001. The scale of use of the contested mark appears to be less than that of the earlier mark. Nevertheless, the proprietor sold over £1m worth of Dyflex gloves in the UK in each of the years 2011 2018²⁰. Therefore, the proprietor has also made significant use of the contested mark. Between 2005/6 and 2018/19, the proprietor spent the relatively modest sum of £54k specifically promoting Dyflex gloves. Gloves bearing the mark have been marketed via sales brochures, the proprietor's website and social media.
- 54. Dyflex products are sold via distributors. Mr Finney's evidence includes copies of pages from the websites of Greenham, Cromwell, Zoro, Justgloves, Uk-rs.online, Safetygloves, Manutan, Safetecdirect and Moandco. These show the proprietor's gloves on sale to the public via UK websites²¹. Mr Finney points out that the applicant's HYFLEX gloves are also sold via some of these websites. He draws particular attention to a screenshot from Cromwell's website which shows [Polyco] Dyflex and [Ansell] Hyflex gloves on sale side-by-side²².
- 55. According to Mr Finney, Dyflex gloves have been regularly promoted at trade fairs and exhibitions. He points out that on 25th March 2015 both parties attended a health and safety event run by a third party. A copy of that party's webpage is in evidence²³. It shows that (a) the event was focussed on safety gloves, (b) both parties were present, and (c) the event was held in the Netherlands. The evidence does <u>not</u> show that the proprietor promoted Dyflex gloves at the event. Therefore, it does not establish that the applicant would have been exposed to the proprietor's use of Dyflex at this time.
- 56. Mr Finney says that "the proprietor has never received any inquiries from any customers, distributors or other persons as to whether its DYFLEX branded gloves are associated in any way with the Cancellation Applicant."

²⁰ The proprietor's gloves appear to retail for around £5 - £13. See exhibit NF15 to Mr Finney's statement.

²¹ See exhibit NF15

²² See page 1 of exhibit NF15

²³ See exhibit NF24

57. In *Roger Maier and Another v ASOS*²⁴ Kitchen L.J. stated that:

"80.the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in *Specsavers* at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion. But conversely, the absence of actual confusion despite side by side use may be powerful evidence that they are not sufficiently similar to give rise to a likelihood of confusion. This may not always be so, however. The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur."

58. At the hearing, Mr Morris pointed out that the absence of evidence of confusion may indicate no more than that consumers have had no reason to complain about the quality of the proprietor's goods. In those circumstances, consumers and end users would be unlikely to complain, even if they realised that they had bought the wrong brand of gloves. This is a valid point. However, given the scale and length of concurrent use, the absence of <u>any</u> evidence of confusion appears to support the proprietor's case that was no likelihood of confusion at the relevant date, and provides no support for the applicant's case that there was.

59. However, I note that the proprietor's gloves have generally been marketed under its house mark – Polyco – as well as the product mark – Dyflex. Confusion may be less likely in these circumstances than would be the case if Dyflex was used on its own. My assessment must take account of all the normal ways in which the Dyflex mark could be used, including as the sole trade mark for the goods, not just the way that the mark has actually been used to date²⁵. For this reason, I am cautious about

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²⁴ [2015] EWCA Civ 220

²⁵ O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited, Case C-533/06, CJEU

attaching much weight to the evidence of concurrent use without confusion as indicating that there was (and is) no likelihood of confusion.

60. Nevertheless, taking account of the:

- (i) below average degree of distinctiveness of the earlier mark;
- (ii) medium degree of similarity between the marks;
- (iii) fact that HYFLEX has an apparent conceptual meaning whereas Dyflex (as a whole) does not;
- (iv) identity of the goods;
- above average level of attention likely to be paid by relevant consumers during the selection process;
- I find that there was no likelihood of confusion at the relevant date. The absence of any evidence of confusion is, at least, consistent with this conclusion.

Statutory acquiescence defence

61. Section 48(1) of the Act is as follows:

- "48. (1) Where the proprietor of an earlier trade mark or other earlier right has acquiesced for continuous period of five years in the use of a registered trade mark in the United Kingdom, being aware of that use, there shall cease to be any entitlement on the basis of that earlier trade mark or other right-
- (a) to apply for a declaration that the registration of the later trade mark is invalid, or
- (b) to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used.

unless the registration of the later trade mark was applied for in bad faith."

62. Mr Selmi submitted that the law is as follows:

"In Budejovicky Budvar NP v Anheuser-Busch Inc, Case C-482/09, the Court of Justice of the European Union identified four prerequisites for the running of the five-year limitation period:

- (1) The Challenged Mark must be registered i.e. the five-year period does not start until after completion of the registration procedure of the Challenged Mark;
- (2) The application for the Challenged Mark must have been made in good faith:
- (3) The Proprietor must use the Challenged Mark in the UK;
- (4) The Applicant must be aware of the registration of the Challenged Mark and of the use of the Challenged Mark after its registration."
- 63. I accept this submission. This means that the continuous 5-year period of acquiescence referred to in s.48(1) must fall within the period 2nd April 2010 to 26th October 2018.
- 64. I have no doubt that conditions (2) and (3) above are satisfied. However, I am not satisfied that condition (4) is met. Given that the parties distribute their products through some of the same distributors, it seems likely that the applicant became aware of the proprietor's use of Dyflex well before making the application for invalidation. However, it is not clear how long before. Admittedly, the applicant has not filed evidence denying that it knew about the use of Dyflex. This omission could be important if the proprietor has done enough to establish a prima facie case of acquiescence. However, in my view, it has not done so. The earliest specific evidence about the applicant's knowledge about the use of Dyflex appears to be Mr Finney's evidence that the parties attended the same trade show in March 2015. However, this show took place less than 5 years prior to the application for invalidation. Further, as the applicant correctly points out, there is no evidence that the Dyflex mark was used or discussed at the show. Consequently, the proprietor has not established a *prima facie* case of acquiescence, Therefore, if the s.48(1) defence had been required it would have failed. However, given my finding that there was no likelihood of confusion at the relevant date, this does not affect the outcome.

Honest concurrent use

65. Mr Selmi also drew my attention to the case law about honest concurrent use.

Honest concurrent use was not pleaded as such. The proprietor's pleaded case is

that there was no likelihood of confusion, which I have accepted. Consequently,

there is no need to consider an honest concurrent use defence. Further, in the

absence of a clearly pleaded defence based on honest concurrent use, it would be

inappropriate to do so.

Overall outcome

66. The application for invalidation is rejected.

Costs

67. The proprietor has been successful and is entitled to a contribution towards its

costs. I assess this as follows:

£500 for considering the application and filing a counterstatement;

£1200 for considering the applicant's evidence and filing evidence in support;

£800 for attending a hearing and filing a skeleton argument.

68. I therefore order Ansell Limited to pay BM Polyco Limited the sum of £2500. This

to be paid within 21 days of the end of the period allowed for appeal or, if there is an

appeal, within 21 days of the conclusion of the appeal proceedings (subject to any

order of the appellate tribunal).

Dated 20th November 2019

Allan James

For the Registrar