

**O/932/21**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF THE APPLICATION FOR TRADE MARK NO. 3535077  
IN THE NAME OF CAMERON OULDS FOR THE TRADE MARK**



**IN CLASS 25**

**AND**

**THE OPPOSITION THERETO UNDER NUMBER 423270**

**BY**

**BEECHFIELD BRANDS LIMITED**

## Background and pleadings

1. On 19 September 2020, Cameron Oulds applied for the trade mark shown on the cover page of this decision (number 3535077) for *Clothing; Clothing for leisurewear*, in Class 25.

2. The application was published for opposition purposes in the *Trade Marks Journal*, on 20 November 2020. On 18 February 2021, Beechfield Brands Limited (“the opponent”) filed an opposition to the application under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). The section 5(2)(b) and 5(3) grounds are based upon the following earlier registered European trade mark:<sup>1</sup>

7060866: filing date 11 July 2008; registered 19 March 2009

MORF

Class 25: *Clothing, neckwear, scarves, headgear.*

3. The opponent claims that the parties’ marks are similar for identical goods, leading to a likelihood of confusion under section 5(2)(b) of the Act. Under section 5(3), the opponent claims a reputation in its mark for the registered goods such that the relevant public will believe the parties’ marks are used by the same undertaking or an economically linked undertaking. The opponent also claims that use of Mr Oulds’ mark will erode the distinctiveness of the earlier mark, damage its repute, and give an unfair advantage to Mr Oulds by virtue of the reputation of the earlier mark.

4. Mr Oulds denies the grounds of opposition.

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<sup>1</sup> Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019. Tribunal Practice Notice 2/2020 refers.

5. The earlier mark completed its registration process more than five years before the date the contested application was filed. The opponent has made a statement that it has used the mark for the goods relied upon and Mr Oulds indicated in his defence and counterstatement that he requires the opponent to prove that it has made genuine use of the earlier mark.<sup>2</sup>

6. The opponent filed evidence, accompanied by written submissions in support of its claims. Mr Oulds filed written submissions during the evidence rounds. Mr Jamie Sala, for Stratagem Intellectual Property Management Limited, the opponent's representatives, and Mrs Victoria Oulds, for Mr Oulds, attended a hearing by video conference on Friday 10 December 2021. I make this decision after careful consideration of the papers and the parties' submissions.

## **Decision**

7. The opponent's evidence-in-chief comes from Roger McHugh, its Managing Director.<sup>3</sup> I will begin by assessing whether, and to what extent, the evidence supports the opponent's statement that it has made genuine use of its marks in relation to the goods relied upon (clothing, neckwear, scarves and headgear).

8. Section 6A of the Act states:

“(1) This section applies where

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

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<sup>2</sup> See section 6A of the Act

<sup>3</sup> Witness statement dated 2 August 2021

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

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

(3) The use conditions are met if –

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

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

(4) For these purposes –

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

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

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

(5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office

of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

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

9. The onus is on the opponent, as the proprietor of the earlier mark, to show genuine use because Section 100 of the Act states:

“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.”

10. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) summarised the law relating to genuine use as follows:<sup>4</sup>

“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 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*

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<sup>4</sup> Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

*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].”

11. The relevant period for proof of use of the earlier mark is 20 September 2015 to 19 September 2020. The relevant date for the assessment of the section 5(2)(b) and 5(3) grounds is the date on which the contested application was filed: 19 September 2020. As the earlier mark is an EUTM, use made of the mark in member states other than the UK (which was also a member state as of 19 September 2020) is relevant for the assessment.<sup>5</sup>

12. The opponent's evidence shows use of the earlier mark in relation to tubular scarves which look like this:<sup>6</sup>

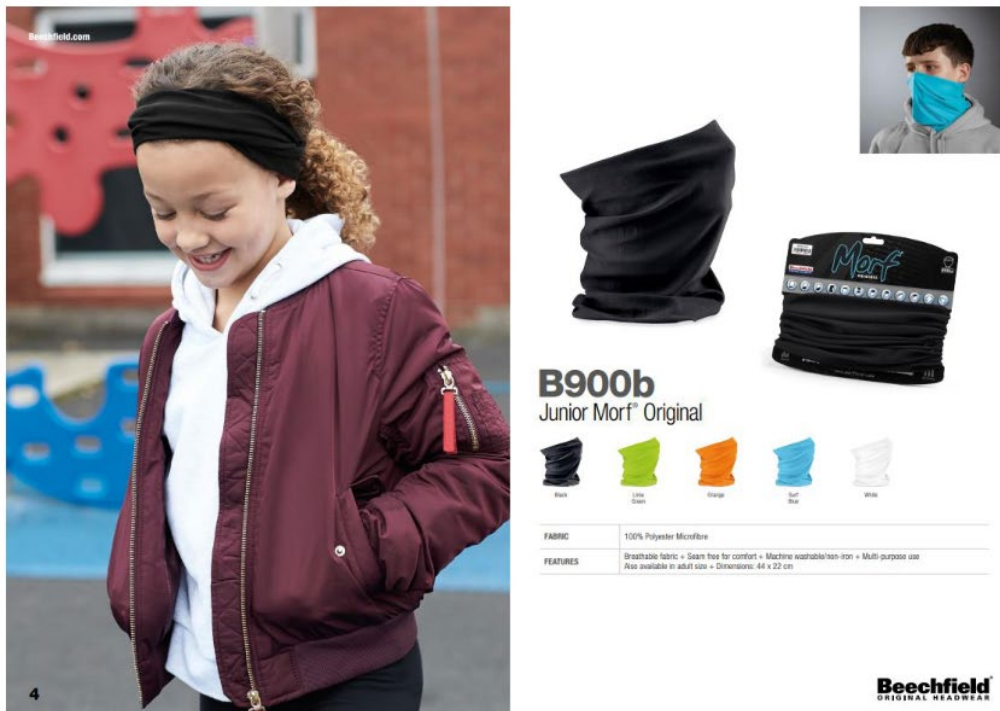


<sup>5</sup> *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, Court of Justice of the European Union; *Intermar Simanto v Nike Innovate CV*, BL O/222/16, Mr Daniel Alexander QC, sitting as the Appointed Person

<sup>6</sup> Exhibit RM13



13. There are instances in the evidence where the goods are used as headwear; for example:<sup>7</sup>



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14. Mr McHugh, the opponent’s witness, states that the opponent was established to supply neckwear and headwear in 1994; in 2008, it started selling MORF ‘multifunctional’ neckwear and headwear. Mr McHugh states that the mark has been used in relation to clothing, neckwear, scarves and headgear. There is no evidence of any goods other than those shown above. The opponent’s skeleton argument says:

“11. The term clothing will be understood by the average consumer as items which are worn on the body. In the *Thomas Pink* decision ... guidance is provided on how to interpret evidence of use as filed compared to the specification of goods as registered. It is the Opponent’s view that a fair description of clothing by the average consumer would include “neckwear, scarves and headgear”. However, even if a strict interpretation is to be placed on the term “clothing” such that “neckwear, scarves, headgear” are not regarded as “being worn on the body”, the goods remain similar to a high

<sup>7</sup> Exhibit RM16

degree, given that the goods share intended purpose, method of use and users and reach the market using the same trade channels.”

15. Mr Sala accepted, at the hearing, that all the use of the earlier mark is in relation to the goods shown above. He drew my attention to a catalogue picture in the evidence which shows the goods being worn on the wrist.<sup>8</sup> He submitted that this was, with the neckwear and headwear use, enough to support a fair specification which includes ‘clothing’. I disagree. The above argument is flawed; it is based on the premise that clothing is worn on the body, and because the opponent’s goods are worn on the body and are therefore clothing, that this entitles the opponent to retain the term clothing. My task in assessing proof of use is to determine in relation to which goods the mark has been used and, if that use is not on everything within a broad term, or a reasonable range of goods within a broad term (as in the *Thomas Pink* case), to decide upon a reduced, fair specification represented by the use. In so doing, I am guided by *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors*, in which Mr Justice Carr summed up the law relating to partial revocation as follows:<sup>9</sup>

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria’s Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average

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<sup>8</sup> Exhibit RM13

<sup>9</sup> [2016] EWHC 3103 (Ch)

consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

16. Applying the above guidance, I find that the single instance of wearing the goods around the wrist does not entitle the opponent to rely upon 'clothing'. I accept that the evidence shows genuine use of the mark in the relevant period in relation to neckwear and scarves. There are many invoices showing the scarves/neckwear and the mark, which are also visible in the exhibited catalogues. The opponent's respective turnover of MORF neckwear/scarves in 2016, 2017, 2018 and 2019 (a combined total for the EU and the UK) was £414,331, £464,541, £634,198 and £505,606. Turnover rose sharply in 2020, reaching a combined total of £2,276,583. The end of the relevant period for proving genuine use was 19 September 2020, the filing date of the opposed application; proportionately, 75% of the 2020 figure can be taken into account. However, neckwear/scarves is a discrete subcategory of clothing and the use in relation to these goods does not entitle the opponent to rely upon 'clothing', which is

a very wide term, encompassing all sorts of clothing items. I note that Mr McHugh refers to the goods as multifunctional neckwear and headgear and I have seen in the evidence that the goods may be worn over the head and as a headband. Taking this into account, I find that a fair specification is ‘neckwear, scarves and headgear’. The opponent may rely upon these terms, but not upon ‘clothing’.

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

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

“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.”

18. The following principles for determining whether there is a likelihood of confusion under section 5(2)(b) of the Act are gleaned from the decisions of the Court of Justice of the European Union (“CJEU”) in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.<sup>10</sup>

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<sup>10</sup> Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived

## The principles

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

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

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

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

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

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

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

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from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

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

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

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

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

### Comparison of goods

19. The law requires that goods/services be considered identical where one party's description of its goods/services encompasses the specific goods/services covered by the other party's description (and vice versa).<sup>11</sup> The opponent may rely upon neckwear, scarves and headgear. Mr Oulds' specification contains the wide term 'clothing', which covers the opponent's goods. The parties' goods are, therefore, identical.

### The average consumer and the purchasing process

20. As the caselaw cited above indicates, it is necessary to decide who the average consumer is for the goods at issue and how they purchase them. "Average consumer" in the context of trade mark law means the "typical consumer."<sup>12</sup> The average consumer is deemed to be reasonably well informed and reasonably observant and

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<sup>11</sup> *Gérard Meric v OHIM*, Case T-33/05, General Court

<sup>12</sup> *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)

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 question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

21. The average consumer for the parties' goods is a member of the general public. As it is important what clothes look like, the selection, or purchasing process, will be predominantly visual. The purchase could be from physical shelves, from a website or from a catalogue, all of which entail visual perception. However, I bear in mind that there may be oral requests made to sales assistants, such as asking for a particular item to be brought for trying on, in which case there may be an aural dimension to the purchasing process. The average consumer will be considering, for example, cost, size, colour, fabric and suitability for an occasion or use. The goods are not infrequent purchases or those which require particular consideration. This all means that the average consumer will pay a normal, or medium, degree of attention to the purchase of the goods.


#### Comparison of marks

22. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

23. 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.

24. The marks to be compared are:

Opponent's mark	Mr Oulds' mark
MORF	

25. The overall impression of the opponent's mark resides in the single element of which it is composed, MORF.



26. Mr Oulds' mark is more complex. The letters ORPHEUS are plainly included. There is a device in front of the letters ORPHEUS. It is much larger than the letters ORPHEUS, although the letters form the bulk of the width of the mark. The eye is drawn to the device, whilst almost immediately then making sense of the mark by reading the letters ORPHEUS. For these reasons, neither ORPHEUS nor the device are more dominant than the other in the overall impression: both contribute an equal weight.

27. I have referred to the first element of Mr Oulds' mark as a device. When I first saw the mark I thought that the device was a highly stylised rendition of a person with their arms raised, the triangle representing a head. The opponent submits that the device is the letter M, which means, in its submissions, that Mr Oulds' mark is MORPHEUS. At the hearing, Mrs Oulds explained that Mr Oulds' mark had been chosen because Morpheus is the ancient Greek god of dreams. No evidence has been filed about Morpheus being a Greek god, and I do not think that it is sufficiently



common knowledge amongst average consumers of clothing that I can take judicial notice of it. However, I can take into account that Mr Oulds himself regards the device as an M, as the initial letter of Morpheus. It is possible that some average consumers might interpret Mr Oulds' mark as MORPHEUS with a stylised letter M. I will approach the visual, aural and conceptual analysis with these points in mind.

28. The M at the beginning of MORF is a plain M, notional and fair use of which does not extend to the highly stylised form of the beginning of Mr Oulds' mark. Even if the device was perceived to be a letter M, it is not visually similar to the opponent's letter M. In *Errea Sport S.P.A. v The Royal Academy of Arts*, BL O/010/16, Mr Iain Purvis QC, sitting as the Appointed Person, considered an appeal concerning the following two trade marks:

Earlier mark	Later mark
	

29. In that case, the Hearing Officer decided that there was no visual similarity between the marks. On appeal, the opponent contended that the earlier mark would be understood as consisting of the letters RA and that, therefore, the marks should have been found to be visually similar to at least a low degree. Mr Purvis stated:

“11. I do not accept this. First of all, it seems to me to be a matter of semantics rather than substance. There is no doubt that the Hearing Officer was proceeding on the basis that the average consumer would understand the letters RA to be conveyed by the earlier mark. Indeed she makes the point herself on more than one occasion. When she states that there is no visual similarity between the marks, she cannot therefore be taken to have forgotten this point. Similarly, she cannot be taken to have forgotten it when considering

the overall 'global' question of whether the average consumer is likely to be confused.

12. Secondly, the difference between 'no visual similarity' and 'a low degree of visual similarity' is not only impossible to define but quite subjective. It is hard to imagine a case in which the spread of reasonable opinions about visual similarity could not cover both of these characterisations. This is not, therefore, fertile ground upon which to base an alleged error of principle.

13. Thirdly, I do not have any difficulty with the notion (which Mr Stobbs appeared to be contending was illogical) that two representations of the same thing may have no visual similarity. In the world of art, the visual representation of a horse in Picasso's Guernica has little or nothing in common with the visual representation of a horse in one of George Stubbs' portraits. I do not think it unreasonable to say that they have no visual similarity, whilst having some limited conceptual similarity (they are both paintings of horses).

14. I therefore do not consider that the Hearing Officer's Decision is undermined by the alleged error of principle identified in the Grounds of Appeal."

30. The opponent's mark is four letters long whilst Mr Oulds' mark is either seven or eight, depending on the perception of the device, and there is a marked visual difference at the beginning of each mark. I agree that both marks share the letters OR. The opponent submits that the F in its mark and the PH in Mr Oulds' mark are visually similar. I cannot agree. Visually, the marks have a very low degree of similarity.

31. Whilst I do not agree that F and PH are visually similar, I do agree that they are aurally identical. The opponent's mark consists of a single syllable; Mr Oulds' mark consists of three syllables. I do not agree that the second and third syllable are a minor degree of difference which are likely to be 'disregarded' by the average consumer, as submitted by the opponent.

32. If the first element of Mr Oulds' mark is seen as a device and not an M, the pronunciation of Mr Oulds' mark will be orf-ee-us or orf-ay-us. The pronunciation of MORF is obvious. The similarity in sound will come from ORF; the M and the second and third syllable being points of difference. There is a low degree of aural similarity. If the device in the application is articulated as an M, so that the mark is pronounced as morf-ee-us or morf-ay-us, there is a low to medium degree of aural similarity.

33. The opponent's mark does not have a meaning. As said above, Mrs Oulds referred at the hearing to Morpheus as the Greek god of dreams, but this is not in evidence nor a notorious fact. I do not know how many UK average consumers would know of Morpheus as a Greek god. Some of those who do not see the device as a letter M may be more familiar with Orpheus as a (different) Greek character. For those who know of either Orpheus or Morpheus as figures in Greek antiquity, the marks are conceptually dissimilar. For average consumers who do not know of Orpheus or Morpheus, the marks have no meaning. Consequently, this group of average consumers would view the parties' marks as conceptually neutral.

#### Distinctive character of the earlier mark

34. 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.<sup>13</sup> In its skeleton argument, the opponent submitted:

“The Opponent did not claim acquired distinctiveness of the Earlier Marks [*sic*] and so it is only the inherent position to consider [*sic*].”

35. I referred to this at the hearing but the position became a little confused, Mr Sala saying that the opponent had not had to file evidence to get its mark accepted during the stage of *ex officio* examination. Since there is no clear answer to whether or not the opponent claims an enhanced level of distinctiveness through use of the mark, I will look at this in addition to the inherent level (which was all I received submissions

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<sup>13</sup> *Sabel BV v Puma AG*, Case C-251/95

about), taking into account the guidance of the CJEU in *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*.<sup>14</sup>

36. The earlier mark is an invented word which does not evoke, allude to or describe the goods for which it is registered, or any characteristic of the goods. It has a high level of inherent distinctive character.

37. Distinctive character is a measure of how strongly the mark identifies the goods of the opponent; determined, according to *Lloyd Schuhfabrik Meyer & Co.*, by assessing the proportion of the relevant public which, because of the mark, identifies the goods as originating from a particular undertaking. This must be from the perspective of the UK average consumer because the assessment is whether or not they will be confused between the marks. For this purpose, it is only UK use that is relevant. UK turnover for the years 2016, 2017, 2018, 2019 and 2020 was £110,810; £131,784; £187,615; £162,597; and, £1,050,920 (the figures are smaller in the years prior to 2016). Although there is a sharp increase in UK turnover for 2020 (of which 75% can be taken into account), this was only in the year during which the contested application was filed. Prior to that the figures are relatively modest. I have not seen anything in the evidence which shows me that the years prior to 2020, despite the modest turnover, were characterised by, for example, substantial publicity or some other way in which the earlier mark has come to denote the opponent's goods to a level which enhances its already high level of inherent distinctive character. The uptick in 2020 is too short a period to show enhanced distinctive character and, in any event, is still not a huge amount (despite it being an impressive increase compared to the turnover figures which preceded 2020).

38. The opponent may not rely upon an enhanced level of distinctive character through use, but its mark is inherently high in distinctive character.

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<sup>14</sup> Case C-342/97

## Likelihood of confusion

39. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. One of those principles states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa. This means that there can still be a likelihood of confusion if the goods are similar but the marks are less so; or, if the marks are similar but the goods are less similar. In this case, the parties' goods, based upon the opponent's proof of use, are identical.

40. However, the marks have very little similarity on a visual level, which is the predominant way in which they will be perceived when the average consumer buys the goods. The high point of the opponent's case is that of aural similarity, and that is only low to medium if the average consumer interprets the device as a letter M. It is low, otherwise. These factors point strongly away from direct confusion, which occurs where marks are mistaken for one another, flowing from the principle 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 which has been retained in the mind.<sup>15</sup> I find that the marked overall differences between the marks, even where identical goods are concerned, and even though the earlier mark has a high degree of distinctive character, means that there will be no likelihood of direct confusion. The marks are even less likely to be directly confused for average consumers who recognise the Greek antiquity concept in Morpheus or Orpheus (depending on how they see the device, as an M or not), but I accept that this is not really relevant considering there has been no evidence filed about such meanings.

41. I find that the marks are unlikely to be indirectly confused, which involves the average consumer recognising that the marks are different but nevertheless, because of common element(s) concluding that the marks emanate from the same or economically linked undertakings.<sup>16</sup> As pointed out by Mr James Mellor QC (as he

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<sup>15</sup> *Lloyd Schuhfabrik Meyer*, at [26].

<sup>16</sup> See *Back Beat Inc v L.A. Sugar (UK) Limited*, BL O/375/10

then was), sitting as the Appointed Person in *Cheeky Italian Limited v Ashish Sutaria*, “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”; the differences between marks which are the reason why there is no likelihood of direct confusion might also be the reason why there is no indirect confusion.<sup>17</sup> In the present case, the very different visual representations of the marks, including the F instead of PH, and the second and third syllables which are alien to the earlier mark, do not suggest a brand evolution, a sub-brand or an allied brand. In *Duebros Limited v Heirler Cenovis GmbH*, Mr James Mellor Q.C., sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element.<sup>18</sup> In this case, the common element is not at all pronounced: it is either OR or MOR. In *Dirtybird Restaurants Ltd v. Salima Vellani*, BL O/413/18, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, said:

“18. There is no rule or presumption to the effect that the concurrent use of a trade mark and one of its components for identical or similar goods or services will always or necessarily give rise to the perception that the goods or services concerned come from the same or economically linked undertakings. That might or might not be the case. In order to determine whether it is, the decision taker must give as much or as little significance to the visual, aural and conceptual differences and similarities between the marks in issue as the relevant average consumer would have attached to them at the relevant point in time (which in this case was July/August 2015). It is axiomatic that the relevant average consumer is to be regarded as reasonably well-informed and reasonably observant and circumspect. However, (s)he is not to be regarded as a person who normally engages in extended thought processes for the purpose of pairing and matching trade marks or actively considering how they might be developed or appropriated for use as siblings of other marks. Indirect confusion of the kind described by Mr Iain Purvis QC in paras. [16] and [17] of his decision in L.A. Sugar is a matter of instinctive reaction to precipitating factors rather than the result of detailed analysis, as emphasised by Mr James

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<sup>17</sup> BL O/219/16

<sup>18</sup> BL O/547/17

Mellor QC sitting as the Appointed Person in Duebros Ltd v Heirler Cenovis GmbH (BL O/547/17; 27 October 2017) at para. 81.”

42. For the average consumer to reach a conclusion that the undertakings responsible for the marks are linked, they would need to analyse the marks more than a reasonably observant and circumspect person would normally do and decide that the inclusion of OR or even MOR (with a highly stylised M) and the swapping of F for PH and the additional two syllables points to a common trade origin. I do not think that this is likely; it is stepping over the line of instinctive reaction to one of detailed analysis. For completeness, indirect confusion is even less likely for average consumers who know of the Morpheus or Orpheus meaning: there is no natural brand development reason why an invented word would develop into a name from Greek antiquity (and vice versa). However, even without such meanings being known, there is no likelihood of confusion, either directly or indirectly.

43. My conclusions have been reached where the parties’ goods are identical. It follows that I would have found the same outcome even if the opponent had been able to rely upon all of its earlier goods; i.e. also the term ‘clothing’. I would also have found that the section 5(2)(b) ground fails even if the already high level of inherent distinctive character had been enhanced to any degree through use of the earlier mark.

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

44. The section 5(2)(b) ground of opposition fails.

### **Section 5(3) of the Act**

45. Section 5(3) states:

“(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 the repute of the earlier trade mark.

(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

46. The relevant case law in relation to section 5(3) can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. For a successful claim under section 5(3), cumulative conditions must be satisfied by the opponent: similarity between the marks; a qualifying reputation in the earlier mark; a link between the marks (the earlier mark will be brought to mind on seeing the later mark); and, one (or more) of the claimed types of damage (unfair advantage and/or detriment to distinctive character and/or detriment to the repute of the earlier mark). It is not necessary that the goods 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.

47. The first condition of some level of similarity between the marks is satisfied, as found earlier in this decision. However, that similarity is decidedly low and has meant a finding of no likelihood of confusion, even where identical goods and a high degree of (inherent) distinctive character for the earlier mark are concerned. This points against there being a link; for a link to be found, the burden is upon the opponent to show enough of a reputation which can overcome the differences between the marks and cause the earlier mark to be brought to mind by the later mark. I do not think that the opponent’s evidence, whilst overcoming the proof of use burden in relation to neckwear, scarves and headgear, and showing a sharp increase in the year in which the opposed application was filed, achieves what is necessary. The relevant public will not make a link between the marks. The section 5(3) ground of opposition fails.



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

48. The ground of opposition under section 5(3) of the Act fails.

### **Overall outcome**

49. The opposition fails. The application may proceed to registration.

### **Costs**

50. Mr Oulds has been successful and is entitled to a contribution towards his costs. Awards of costs are governed by Annex A of Tribunal Practice Notice 2 of 2016. As Mr Oulds is unrepresented, at the conclusion of the evidence rounds the tribunal invited him to indicate whether he intended to make a request for an award of costs and, if so, to complete a pro-forma indicating a breakdown of his actual costs, including providing accurate estimates of the number of hours spent on a range of given activities relating to the prosecution of the opposition. It was made clear to Mr Oulds that if the pro-forma was not completed “no costs, other than official fees arising from the action and paid by the successful party...will be awarded”.<sup>19</sup>

51. Since Mr Oulds did not respond to that invitation within the timescale allowed (nor has any response been received from him prior to the date of the issuing of this decision), and as Mr Oulds has not incurred any official fees in defending his application, I make no order as to costs.

**Dated this 21<sup>st</sup> day of December 2021**

**Judi Pike**

**For the Registrar**

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<sup>19</sup> By way of a letter dated 28 October 2021.