



Neutral Citation Number: [2014] EWHC 2631 (Ch)

Case No: HC 13 B05417

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMMUNITY TRADE MARK COURT
INTELLECTUAL PROPERTY

Royal Courts of Justice
Rolls Building
Fetter Lane
London, EC4A 1NL

Date: 31/07/2014

Before :

MR. JUSTICE BIRSS

Between :

THOMAS PINK LIMITED

Claimant

- and -

VICTORIA'S SECRET UK LIMITED

Defendant

Charlotte May QC and Jaani Riordan (instructed by Bristows LLP) for the Claimant
Emma Himsworth QC and Philip Roberts (instructed by Mishcon de Reya) for the Defendant

Hearing dates: 25th, 26th, 27th June, 1st July 2014

Approved Judgment

I direct that pursuant to CPR PD 39A para 6.1 no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic.

.....
MR. JUSTICE BIRSS

Mr Justice Birss:

1. The claimant, Thomas Pink Limited, began trading in London in 1984. The core of its business is and has always been the sale of shirts which are worn by professional people, particularly men. Its flagship store is on Jermyn Street in London. Jermyn Street is famous for its shirt makers.
2. Since it began, Thomas Pink's business has grown and diversified and today a substantial part of its business involves selling goods other than shirts including other items of clothing and accessories. All of its goods are sold under and by reference to the names Thomas Pink and PINK. The word PINK is used in a distinctive font style. The picture below shows the front of the claimant's Jermyn Street shop and illustrates the way in which its shops are branded with the word PINK:



3. The claimant also uses the word PINK on its products and an example of the neck label in a shirt is shown below:



4. Examples of the claimant's packaging and some of the claimant's other goods (a jacket, underwear and hooded tops) are:

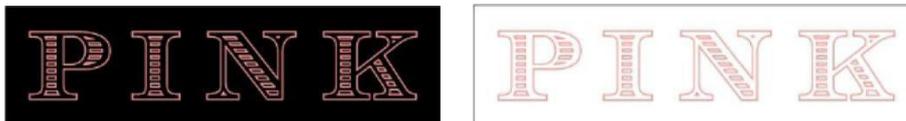




5. The claimant is the registered proprietor of two trade mark registrations:
- i) Community Trade Mark Number 3,949,906 filed on 14th July 2004 for goods in Classes 3, 14, 18, 25, 26 and retail services in Class 35:



- ii) UK Trade Mark Number 2,565,078 filed on 22nd November 2010 for goods in Classes 14, 18, 25 and retail services in Class 35. It is a series of two marks:



The lines making up the letters P, I, N and K are in a pink colour.

6. In the years between 2005 and 2012 the claimant's UK annual turnover was between about £23 million and £28 million. Its turnover in trade in the EU outside the UK fluctuated between about £2 million and £4 million. Today Thomas Pink has about 40 stores of which 35 are in the UK, two are in Ireland and two are in France. The claimant also trades in the USA.
7. The defendant is part of a group which sells the famous Victoria's Secret line of lingerie. The ultimate parent company is L Brands Inc. Victoria's Secret started in the USA in the 1970s and since then has grown very substantially. It is known worldwide.
8. In 2004 the Victoria's Secret group launched a sub-brand in the USA called PINK. PINK is a diversification from lingerie and related goods into clothing at large. It is aimed at the "college girl", that is females aged between about 18-25 years of age. The PINK range includes clothing such as t-shirts, sweatshirts and trousers as well as lingerie, nightwear and swimwear. The point of the PINK sub-brand is to have a younger entry level into the Victoria's Secret brand.
9. The precise extent to which Victoria's Secret in general and its PINK sub-brand in particular was known or offered for sale or sold in the UK after that date is in dispute and I will return to it below. What is not in dispute is that in 2012 Victoria's Secret

began to implement a project to open retail outlets in Europe, starting in the UK. Its first store opened in 2012 on Bond Street in London. As well as shops branded VICTORIA'S SECRET, the defendant also opened stores branded PINK. Sometimes the PINK store and the VICTORIA'S SECRET store are very close or side by side and it is possible to walk from one to the other inside the premises. But in other cases the defendant opens free standing PINK stores which are distinct from its VICTORIA'S SECRET stores. The Bond Street shop front is marked VICTORIA'S SECRET but on a side street called Lancashire Court, there is a PINK shop front. Inside the premises the two shops are connected. In the Bluewater shopping centre the defendant has a freestanding PINK store and a freestanding VICTORIA'S SECRET store but they are not physically connected. The shop facia of one of the defendant's PINK stores looks like this:



10. The writing above the window consists of the words "Life is PINK is life". Underneath PINK are the words "VICTORIA'S SECRET" in small writing. The words are not visible in this reproduction but there is no doubt that they are there.
11. In its PINK stores Victoria's Secret sell a wide variety of casual clothing as well as fragrances, toiletries, bags and socks. Many of them present the word PINK alone in a prominent way on the garments. Examples include:



12. All of the defendant's garments carry the words VICTORIA'S SECRET somewhere. Sometimes the words VICTORIA'S SECRET are visible on the outside. In all cases the neck label or swing tag carries the words VICTORIA'S SECRET. Representative examples are these:



13. Other examples of the defendant's usage of the sign PINK are below. In these cases the words VICTORIA'S SECRET are present but in small writing and are often hard to see:



14. The claimant contends that the acts of the defendant amount to infringement of its registered trade marks and passing off. It contends that it has long standing trade in clothing in the UK and Europe under and by reference to the name PINK and that the trade has generated a goodwill and reputation which is attached to the claimant's business and trade marks and is identified in the minds of the public with PINK. It has valid registered rights in the form of the UK and Community trade marks for PINK devices.
15. It submits that prior to 2012 the defendant had no or no relevant retail presence in Europe but now the defendant has entered the territorial zone of the claimant's exclusivity and is using PINK as a primary sign on the garments and stores which are complained of in this case. Sometimes this is accompanied by the words VICTORIA'S SECRET but those words are not always present, and in many cases they are barely visible at all. Usually if they appear together the relative size of PINK and Victoria's Secret is such that PINK is many times larger. The claimant submits that it is obvious that the average consumer is likely to be confused and that this likelihood of confusion will arise in several ways:
- i) First there will be confusion about whether a PINK shop is a shop of the claimant or the defendant. A consumer may see PINK in a shop directory or be referred orally to for example "the PINK shop on level 4", arrive at the wrong shop and leave disappointed. The claimant says that there is evidence showing examples of this kind of confusion and that it is not difficult to see why there are likely to be many others although as yet undetected;

- ii) There will be confusion about whether the parties' retail shops are in some way linked to each other. For example consumers may seek to return the claimant's goods to the defendant's stores, ask to purchase the defendant's goods in claimant's stores or vice versa or simply be surprised to learn that the claimant does not sell lingerie. The claimant submits that this has already occurred and submits that it is likely to become the norm as the defendant becomes more well known in the UK market and in the same kinds of retail environments in close proximity to the claimant;
 - iii) A consumer may see a picture of the defendant's goods whether in advertising in store or online and assume a connection to exist with the claimant, perhaps because they fail to see the small VICTORIA'S SECRET text because it is only printed on the interior of the garment or on a swing tag, because it is missing entirely or because they believe the claimant is somehow involved with the defendant's PINK line. It will be a natural extension of the claimant's more formal wear to produce a secondary line of casual clothing. The claimant submits that in fact a significant part of the claimant's inventory and sales relate to casual clothing in any case; and
 - iv) Post-sale confusion is likely. The claimant submits there is a very serious risk that members of the public who see the defendant's garments being worn, its bags being carried and so on, will assume that they have some connection with the claimant.
16. So the claimant advances this claim for infringement under s10(2) of the 1994 Act / Article 9(1)(b) of the Community Trade Mark Regulation (No 207/2009) (the CTMR).
17. The claimant also advances a claim under s10(3)/ Art 9(1)(c). It submits that the defendant's encroachment into Europe poses an existential threat to the claimant's trade marks and good will. The defendant plans to open numerous stores throughout the UK, approximately 6 this year with more to follow and has its medium to long term eye on Europe, although no precise plans have been articulated. As the defendant expands the confusion will multiply and the claimant's marks will become diluted. It will reach the point where consumers no longer associate PINK with the claimant for clothing but instead associate it with the defendant. Indeed, the claimant submits, in some parts of the market this seems already to have happened once the conduct complained of commenced. The claimant also submits that there is a real risk of tarnishment. Thomas Pink is a luxury retailer known for quality and tradition and traditional values, whereas the defendant's brand message is sexy (because, as Mr Waters put it, "sexy sells"). The claimant refers to evidence which shows that Victoria's Secret has on some occasions been embroiled in controversy associated with its sales of lingerie.
18. The claimant also submits that its passing off case is made out for similar reasons. Its good will in the PINK name and sign has been established by continuous UK trade over a 30 year period in a broad range of men's and women's clothing and accessories. When the defendant markets its goods under its PINK sign consumers will be likely to assume a connection or association with the claimant. A consumer who has for decades been buying the claimant's shirts, casual wear and accessories and who sees another garment labelled PINK will be likely to believe they are

connected in trade. The fact the garment is not a collared shirt or a particularly high quality garment will not change this. Equally the fact that the defendant's PINK and the claimant's PINK devices do not look exactly the same or are represented in different retail contexts does not matter since members of the public are accustomed to seeing a more edgy or modern typeface being applied to a clothing retailer's informal clothing line. The risk of deception is especially acute if the exposure to the misrepresentation is fleeting or occurs after sale and the resulting damage is obvious.

19. The defendant does not accept these allegations. It submits that it is a legitimate retailer and the suggestion in the claimant's submissions that there is something inappropriate or improper about its trading is wrong. The fact that occasionally the defendant's sale of lingerie attracts some controversy is inevitable in a business of that kind. The defendant accepts that the two parties' businesses are both related to clothing in general terms but they are at opposite ends of the spectrum. The claimant is a specialist Jermyn Street shirt maker and has deliberately and consciously cultivated its reputation as such. Its customers are older professional people. The defendant's PINK sub-brand is aimed at an entirely different segment of the younger female clothing market. The brand Victoria's Secret is a famous one and when consumers encounter PINK they always encounter it firmly in the context of the famous name VICTORIA'S SECRET. This rules out any conceivable possibility of confusion.
20. The defendant also submits that the claimant's legal rights have to be examined with care. Both its CTM and UK TM are device marks. They are not registrations for the word PINK alone. The prominent words in the CTM are not PINK alone but THOMAS PINK and the other elements including the address and the special form in which the words THOMAS PINK appear are important. The UK TM consists of a series of two device marks, the word PINK appearing in a special form which is not the same as the form in which it appears in the CTM. The lettering is in the pink colour and the word is written in a box with either a black or a white background.
21. The defendant argues that the specification of goods and services for which the CTM is registered is far too broad; in fact the claimant has not used the CTM for many goods and services covered by the registration. To reflect the extent to which the claimant has actually used its trade mark, the specification in Class 25 for "clothing, footwear, headgear" should be restricted to "Mens' and ladies' shirts; polo shirts, socks, blouses, knitted cardigans and knitted jumpers". The registration in Classes 3 and 18 should be revoked entirely, Class 14 should be limited to "cufflinks", Class 26 to "Collar stays, collar stiffeners and collar supports", and Class 35 should be limited to a specification which amounts to bringing together the goods mentioned so far in a retail shop or department store, by mail order or on the internet.
22. In the important Class 25, the defendant submits that the claimant cannot justify a registration for "clothing" both because the evidence of its use does not justify such a registration and because the term itself is too vague (citing the CJEU in C.I.P.A. v Registrar of European Trade Marks (the IP Translator case) C-307/10, [2012] ECR I-1000; [2013] RPC 11). It submits that I should prefer the reasoning of Sales J in Total Limited v YouView TV Limited [2014] EWHC 1963 (Ch) to that of Arnold J in Stichting BDO v BDO Unibank [2013] EWHC 418 (Ch) on the question of lack of precision in a specification after grant.

23. As for the UK TM, the defendant argues that the mark is invalid under s3(1)(b) and 3(1)(c) of the 1994 Act because the word pink designates a characteristic of the goods and services (i.e. pink coloured goods) and the other elements like the border do not add any spark of distinctiveness. It observes that the UKIPO also took the view that the mark was not inherently distinctive but registered it on evidence of acquired distinctiveness pursuant to the proviso. Before me the claimant argues that the mark is inherently distinctive but also relies on evidence that the mark has acquired a distinctive character through use.
24. This dispute raises a point of principle. The defendant submits that when one looks carefully at the claimant's evidence and the UK TM, in fact the claimant has never used a mark in exactly the form in which it is registered. The defendant argues that as a matter of law a mark can only acquire distinctive character as a result of use of the mark in a form identical to the form as registered. The use may involve using the mark in a composite with other elements but the presentation of the mark as used must be in the form as registered. Although s46(2) allows a proprietor to rely on use in a form differing in elements which do not alter the distinctive character of the mark when considering revocation for non-use, no corresponding provision exists in relation to the proviso in s3 and the proprietor, when trying to establish distinctiveness acquired through use, cannot rely on use of a mark which is not identical in form to the registered mark even it is use in a form differing in elements which do not alter the distinctive character of the mark.
25. The claimant does not accept this. First it submits that when properly understood the UK TM and the PINK element of the CTM are in fact the same mark and denies that the UK TM has not been used. Moreover the claimant also argues that the defendant's point of law is wrong; the claimant can rely on use of the mark in other forms which do not alter the distinctive character. So the UK TM is validly on the register.
26. The defendant denies infringement and also argues that once the correct scope of the claimant's trade mark rights is determined, the case for infringement is even weaker. An important dispute is about the context in which the sign complained of appears (Specsavers v ASDA [2012] EWCA Civ 24). The defendant contends that VICTORIA'S SECRET plays a key role in the relevant context. That context includes not only the way the sign is presented on the garments but also the wider context of the shops themselves which include many references to VICTORIA'S SECRET.
27. A further important element in this case is that in its Defence (e.g. paragraph 22 onwards) the defendant contends that the sign under and by reference to which the goods and services complained of are and have always been sold is "VICTORIA'S SECRET PINK". Paragraph 26 of the Defence asserts that at no time has the word PINK by itself appeared on the garment tags, labels, packaging and containers for the goods and (paragraph 28) the defendant's branding guidelines confirm this.
28. The claimant denies this. It contends that the defendant has never used the sign "VICTORIA'S SECRET PINK" in the UK in a lock up format, in other words with all three words in the same font and size, spaced equally and in general given equal prominence. A question of fact arises about what exactly the defendant has done. In any case the claimant contends this three word sign infringes as well.

29. On the claim for extended protection (s10(3)/Art 9(1)(c)) the defendant admits that the claimant has a reputation in relation to shirts but submits it is only in relation to shirts. It denies that its use takes unfair advantage of or is detrimental to the distinctive character or repute of the claimant's marks. The defendant also contends that all its activity has been carried out with due cause, since the defendant has used the mark PINK in the USA for many years and is simply expanding its operations into Europe unchanged, a natural and legitimate thing for a business to do.
30. The defendant also takes a point on acquiescence (under Art 54 CTMR / s48 of the 1994 Act).
31. In relation to passing off, the defendant accepts that the claimant has a goodwill and reputation in the UK but submits it is confined more narrowly than the claimant contends, essentially to shirts. It submits there is no risk of deception and no damage.

The witnesses

32. The claimant's principal witness was Jonathan Heilbron. He is the President and Chief Executive Officer of the claimant. He explained the claimant's trading history, how it used and portrayed itself as PINK and how the brand had developed. He gave evidence of its product range and the use of the colour pink by the claimant as well. He dealt with the likelihood of confusion between the claimant's and the defendant's marks and goods and addressed examples of actual confusion which the claimant relied on. He also addressed potential harm to the claimant from the defendant's trade, some details of the point of sale and the claimant's knowledge of the defendant's brand. Finally his evidence addressed the counterclaims for revocation for non-use and invalidation for lack of distinctiveness.
33. Mr Heilbron gave his evidence fairly, trying to assist the court. The defendant submitted that on occasions Mr Heilbron acted as an advocate for the claimant's case. That is not a fair criticism. It is true that Mr Heilbron feels passionately about this dispute. This passion came over in his evidence. But in my judgment, at all times he was seeking to assist the court and was not embellishing or overstating his position.
34. The claimant also called its solicitor, Mr Paul Walsh. He addressed a point on disclosure and certain other matters. He gave his evidence fairly and properly.
35. The claimant's other witnesses were all members of staff who had encountered what the claimant characterised as evidence of confusion and were explaining what had happened. I will deal with those separately below.
36. The defendant's primary witness was Mr Martin Waters. He is the President of International Business at L Brands Inc. He was hired by L Brands to grow its international business in particular into Canada, the UK and Europe and the Middle East. His responsibility in relation to Canada changed but is not relevant. He has ultimate responsibility for the commercial expansion of the international business and the physical and commercial position of the business. He described the defendant's business and explained how it had moved into the UK and Europe and how it traded. He explained that he did not believe that PINK was distinctive of Thomas Pink or that there was any risk of an association between Thomas Pink and his company's activity.

37. The defendant's next witness was Mr Matthew Sohl, he was an Associate Vice-President of Design and Graphics and dealt with the style, look and feel of the defendant's brand. He also reviewed and explained the defendant's branding guidelines.
38. The final witness for the defendant was Mr Daniel Cook. He is a customer experience manager at the New Bond Street shop. He explained what happened in the shop and his experiences there and elsewhere. He also explained that as far as he was concerned there was an absence of any evidence of actual confusion between the parties.
39. A particular point arose in relation to all of the defendant's evidence. The witness statements of all three witnesses referred to the defendant's brand as VICTORIA'S SECRET PINK. Reading the witness statements one might get the idea that the only sign used by the defendant was VICTORIA'S SECRET PINK. During their cross examination all three also consistently used the term VICTORIA'S SECRET PINK to refer to the defendant's branding and products.
40. The claimant criticised this, submitting that "all three witnesses stuck doggedly to the party line, repeatedly using the phrase VICTORIA'S SECRET PINK in oral evidence even though that sign is not used by the defendant at all and is obviously not the normal way in which the defendant's sign would be read, perceived or articulated by the average consumer".
41. There is some force in this criticism since it is perfectly apparent from the evidence as a whole that the manner in which the signs appear on the defendant's goods frequently involves presenting the word PINK alone without the words VICTORIA'S SECRET at all and frequently, when the words PINK and VICTORIA'S SECRET appear together, presenting the word PINK first and in much larger and more prominent lettering than VICTORIA'S SECRET.
42. In this respect the witness statements of all three of the defendant's witnesses are open to criticism since they appear to suggest that VICTORIA'S SECRET PINK in lock up format is the manner in which the defendant presents itself and its goods to the public in the UK, when that is plainly not right. However having heard the individual witnesses it is apparent that the L Brands organisation as a whole including the defendant internally regards the brand or sub-brand in issue in this case as VICTORIA'S SECRET PINK. That is how they see it and they regard the various ways in which this sub-brand is presented to the outside world as all manifestations of that essential idea. Accordingly I can understand how all three witnesses came to give the evidence they did. They were not setting out to mislead because from their point of view the brand or sub-brand in question in this case is VICTORIA'S SECRET PINK. However I will not rely on their manner of characterising the defendant's method of trading. It is perfectly obvious the defendant does not confine itself to presenting the words VICTORIA'S SECRET PINK in a lockup format to the outside world. Examples of other modes of presentation are given above.
43. The impact of this conclusion means that Mr Sohl's evidence was of little utility. In addition to his direct testimony Mr Sohl had exhibited extracts from the defendant's branding guidelines which were intended to support his evidence. The exhibited extracts on their own presented a materially incomplete picture of the defendant's

manner of trading. This was exposed in the cross examination. I doubt Mr Sohl sought to do that himself. He said his exhibits had been prepared by the legal team and not by him. I will not rely on Mr Sohl's evidence.

44. This conclusion also means that I am not satisfied I can rely on the views of Mr Waters or Mr Cook about the perceptions of European consumers insofar as they are adverse to the claimant's case.
45. The claimant criticised Mr Waters' evidence as being that of an advocate for the defendant's case. In my judgment, he was no more of an advocate for his company's position than Mr Heilbron was for his company. Both gentlemen feel passionately about this dispute and gave their evidence in that way.

The claim for revocation on the grounds of non-use

46. By Article 51(1)(a) of the CTMR the rights of a proprietor of the Community trademark shall be revoked if within a continuous period of 5 years the trademark has not been put into genuine use in the Community in relation to the goods or services in respect of which it is registered and there are no proper reasons for non-use. Where the grounds of revocation exist in respect of only some of the goods or services, the rights of the proprietor shall be declared to be revoked only in respect of those goods or services (Art. 51(2)).
47. The fundamental principles applicable to a decision in relation to non-use were not in dispute. The burden of proving use is on the proprietor of the mark. The rationale for the requirement that a mark must be the subject of genuine use in order to be protected under EU law is in Recital 10 of the CTMR. The Community Register is not "a strategic and static depository granting an inactive proprietor illegal monopoly for an unlimited period" but rather "must faithfully reflect what companies actually use on the market to distinguish their goods and services in economic life" (Case T-38/13 Pedro v OHIM paragraph 20). A mark is put to genuine use when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the EC for the goods or services covered by it (Leno Marken v Hagelkruis Beheer Case C-149/11). When a court assesses whether the conditions in Art. 51 are met all relevant facts and circumstances are to be taken into account including the characteristics of the mark concerned, the nature of the goods or services protected by the trademark and the territorial extent and scale of the use as well as its frequency and regularity. Also in the Leno case the CJEU held at paragraph 29 that genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark.
48. The defendant also referred to European Drinks S.A. v OHIM Cases T-495/12 to T-497/12, and in particular paragraphs 26 to 29 of that judgment of the GCEU. This emphasised that the genuine use of a trademark cannot be proved by means of probabilities or suppositions but must be demonstrated by solid and objective evidence.
49. Ms Himsworth appeared to rely on the judgment in European Drinks to justify an approach to the evidence which in effect ignored Mr Heilbron's oral testimony that all the goods he referred to in his evidence had been sold or offered for sale under and by reference to the mark as it appears in the CTM. Her approach focussed entirely on

what could be gleaned from looking at the exhibits to Mr Heilbron's evidence. (His exhibits included materials exhibited to the original Particulars of Claim because this matter was originally to be in the Patents County Court and they had been sworn by Mr Heilbron.) However, the judgment of the GCEU has to be seen in the context in which it was made, an appeal from proceedings in OHIM. In an English court the oral testimony of a witness who is subject to cross examination is quite capable of being regarded as being solid and objective evidence.

50. The presence of Mr Heilbron as a witness gave the defendant the ability to challenge his oral testimony in cross-examination. The defendant was able to challenge him about his evidence concerning the manner in which his company's goods had been sold. The *European Drinks* case does not mean that an English court should ignore this kind of evidence.
51. Both sides referred to *Silberquelle v Maselli-Strickmode* (Case C-495/07) (*WELLNESS*). In that case the registered proprietor unsuccessfully contended that it could retain its registration for the mark WELLNESS in relation to non-alcoholic drinks on the basis of the distribution of promotional branded bottles of water to purchasers of its WELLNESS clothing. Advocate- General Colomer observed that the use of the mark on the bottles "is a mere tool, a nice gesture to increase the consumer's loyalty to the Wellness mark in the clothing sector" and "the bottles of soft drink bearing the Wellness-drink mark become an advertisement which is completely unconnected with the soft drinks market" and the CJEU adopted this reasoning of the Advocate General. This shows that when products are not distributed with the aim of penetrating the market for the goods in the same class, affixing the mark to those products does not create an outlet for them nor does it distinguish them from goods of other undertakings in that class.
52. A further important principle which applies in this case is what to do when the trademark proprietor has made genuine use of the mark in relation to some goods covered by the general wording of the trademark specification and not others. In such a case it is necessary for the court to arrive at a fair specification in the circumstances (Case T-126/03 *Reckitt Benckiser v OHIM (ALADIN)*). This may involve amending the existing specification.
53. The claimant also submitted that it was important for the court to adopt a balanced approach which fairly reflects the use of the mark as it would be described by the average consumer and referred to paragraphs 55-58 of the judgment of Arnold J in *BDO* (above). It is not the task of the court to describe the use in the narrowest terms possible unless that is what the average consumer would do (*YouView TV v Total* [2012] EWHC 3158 (Ch) per Floyd J). Thus, for example in *Pan World Brands v Tripp* [2008] RPC 2 (*Extreme*) the Appointed Person (Richard Arnold QC as he then was) held that use in relation to holdalls justified a registration for luggage generally.
54. The defendant referred to the judgment of Rose J in *Roger Maier v Asos Plc* [2013] EWHC 2831 (Ch) at paragraphs 45-50 and in particular paragraph 47 in which the learned judge summarised the relevant approach based on the judgment of Arnold J in *BDO*.
55. A separate point is the argument I have mentioned already arising from the *IP Translator* case and the conflicting judgments of Arnold J in *BDO* and Sales J in

Total v YouView about the relevance of clarity in a trade mark specification after grant. The claimant submitted it was not necessary for me to resolve the competing opinions expressed by Arnold J and Sales J because they were concerned with the question of invalidity whereas this case relates to revocation.

56. In relation to the clarity of the particular word at issue in this case, “clothing”, the claimant referred to Common Communications originating from the European Trademark and Design Network which concern the practical effect and application of *IP Translator*. The European Trademark and Design Network is a hub which connects the European IP offices, in other words the IP offices of the Member States as well as OHIM.
57. The Common Communications show that although some class headings may be unclear, the word “clothing” which is part of the class heading of Class 25, is not mentioned as an example which is unclear. In fact in one Common Communication the term “clothing” is mentioned as an example which is clear and precise.
58. The fact that these documents indicate that the word is regarded as clear by these IP Offices does provide support for the claimant’s case that it is not inherently unclear but they do not mean that “clothing” would be an appropriate word to use on the facts of this case. That must depend on what use has actually been made of the mark. I will consider non-use and then, if necessary, address the alleged inherent vagueness of the term clothing.

Non-use: the facts

59. The two relevant periods for considering non-use were the period from 1 February 2006 to 1 February 2011 which is the five years from the date of entry of the CTM on the register and the period from 10 May 2008 to 10 May 2013 which is the period of five years prior to the date of the claim. If the claimant fails to establish genuine use in either period for a given item then non-use for that item has been proved.
60. The claimant did accept that a number of entries in its CTM should be revoked for non-use. This included the whole of Class 3, substantial parts of Class 14 and adjustments in Classes 18 and 35. No change was accepted for Class 26. In the important class (class 25) the claimant by the closing accepted that headgear should be removed but maintained its case that the correct specification was “clothing, footwear”. The text of the claimant’s proposed revised specification is annexed to this judgment as Annex 1. It is marked in such a way as to show the specification as granted as well.
61. The claimant marshalled the evidence on which it relied to establish use in a schedule S2 to its closing submissions. This schedule gave the turnover figures for the two relevant periods and cited examples of use of the mark on the goods which appeared in the evidence. However the claimant emphasised that its evidence was that all of the goods in the schedule were used under or by reference to the CTM, perhaps in the shops or appearing in catalogues and the like. A critical part of the claimant’s evidence from Mr Heilbron is that all the claimant’s goods were sold with swing tags which carried the CTM and also that the bags, gift envelopes, receipt cards, pouches, boxes and the like were used in the claimant’s signature pink colour bearing the CTM. I accept that evidence.

62. The defendant replied to claimant's schedule S2 with its own schedule VS2, which addressed each entry in the claimant's schedule and made submissions. I have worked through both schedules.
63. I will start with Class 25. The table in Annex 4 shows the turnover figures from the claimant's accounting system for goods in the categories in question. The claimant contended that the figures in the table should remain confidential. The defendant did not oppose that. Accordingly Annex 4 will not be included in the public version of this judgment.
64. The defendant accepts genuine use in relation to shirts (men and women), polo shirts, socks, blouses, knitted cardigans, and knitted jumpers. It submits that the registration in Class 25 should be limited to these categories and not to clothing in general.
65. There are a number of items in this table which I can deal with shortly. I am satisfied that the claimant has put the CTM to genuine use in the Community in relation to the categories set out below. My reasons for rejecting the defendant's case both in general and its detailed submissions in its rival schedule VS2 are summarised below. The categories are:

i) jackets (but not suits)

The defendant submitted that the evidence only showed use on limited examples of jackets and no suits. I do not agree the jacket examples are particularly limited. They include tailored and quilted jackets (there is no reason to doubt the claimant's case that quilted jackets were sold in the relevant periods). The turnover is substantial. The claimant's accounting system includes turnover in a category for "mens suiting" but it shows no turnover before 2011 and so none in the earlier period.

ii) knitwear/jumpers

The turnover figures are substantial. The defendant accepts use in relation to knitted cardigans and knitted jumpers. It is not clear what the real difference is between the categories accepted by the defendant and the category advanced by the claimant. Neither side focussed on this. There is clear evidence of use on cardigans, sweaters and jumpers. There is also an example of a "merino jersey top". I will accept the claimant's category.

iii) casualwear (including sweatshirts)

The turnover figures are substantial. The defendant submitted that all that had been shown was use on casual shirts or on things in other categories (such as knitwear, polo shirts etc.) and nothing more. I find clear evidence of use on casual shirts (e.g. rugby shirts). I also find genuine use on cashmere hooded cardigans and, in the second period, on a cashmere ladies casual lounge top. Although each could also be regarded as "knitwear", they are examples of casual garments which are not shirts. I accept the claimant's category.

iv) ties

The evidence is clear and the turnover figures are substantial.

- v) dresses

The evidence is clear and the turnover figures are substantial.

- vi) skirts

Although the turnover figures are very small, the evidence is clear.

- vii) tops (including ladies casual)

Although some of these items could also fall into other categories, the defendant accepted some evidence of use of the CTM here. The turnover figures are substantial.

- viii) pyjamas

The turnover figures show tangible albeit small sales in both periods.

- ix) pocket squares and handkerchiefs

The turnover figures are substantial.

- x) scarves

As in many cases the defendant accepts some evidence of use in the two periods (e.g. silk scarves here) but does not accept proof of use of the CTM on them. Bearing in mind Mr Heilbron's testimony about use of the CTM on swing tags, I find this category proven. The turnover figures are modest but tangible.

- xi) boxers/underwear

The turnover in both periods is substantial. There is clear evidence of use in some exhibits, e.g. a 2006 Autumn/Winter catalogue. The goods depicted are always boxer shorts. There is a text reference to "underwear" in a catalogue which presumably is also a reference to boxers.

- xii) braces and cummerbunds

The turnover figures show small but tangible sales for both braces and cummerbunds although the examples in the exhibits are thin.

66. I turn to consider the other goods relied on in Class 25.

T-shirts

67. The use in relation to t-shirts is on an extremely small scale. The turnover figures in the accounts are the same small sum for both periods. This relates to total value of sales in the years 2008-2011. Those years are within both five year periods.

68. There is only one example in the evidence which shows a picture of a t-shirt from the claimant. The exhibit might show two t-shirts. The defendant submitted there was no evidence that the CTM was used in relation to these t-shirt(s). I do not accept that. First Mr Heilbron gave evidence about the claimant's swing tags. The second example relied on is a catalogue which has the CTM on the front page and in which the t-shirt(s) appear. It is true that on the one clear t-shirt itself, as best one can tell, the back contains a rondel logo with the words "Thomas Pink Jermyn Street" surrounding a fox which is entirely different from the CTM. The front of the t-shirt bears a single word which Mr Heilbron thought probably was PINK but the defendant submitted that if one looked carefully the word was not PINK but was probably four letters TPJS making an abbreviation for Thomas Pink Jermyn Street.
69. I am not satisfied that the writing on the front is PINK, however I am satisfied, first that the t-shirt(s) which is or are shown in the relevant brochure (Autumn/Winter 08-09) were offered for sale under and by reference to the CTM and second that the example shown in the evidence and explained by Mr Heilbron is an example of genuine use of the CTM in relation to t-shirts. It is true that the scale is tiny but in no sense are these promotional items. It involves putting on the market by the claimant this particular item of clothing as something available to be bought from Thomas Pink. The use is nothing like the WELLNESS case. The use is also within both five year periods albeit on a very small scale. I find that genuine use of the CTM in relation to t-shirts has been established.

Trousers

70. The defendant submitted that most of the examples relied on relating to trousers were either too late or may have been instances of an image not of Thomas Pink trousers but of a model wearing their own trousers and modelling a Thomas Pink shirt. I accept the date point but not the "model's own trousers" point. The turnover figure for the first period is about £72,000. This is evidence that trousers were sold albeit on a very small scale. The figures for the second period are somewhat higher. Based on Mr Heilbron's testimony I find that the CTM has been put to genuine use in relation to trousers in both periods.

Belts and gloves

71. Very late in the day, the claimant advanced two new categories of goods which it relied on in Class 25: belts and gloves. There is clear evidence of both gloves and belts being offered in both periods albeit there are no distinct turnover figures for either, which means the sums must be very small indeed and subsumed into one of the generic categories. I find there has been genuine use for both categories.

Beachwear and headgear

72. The claimant accepts it has not used the mark in relation to beachwear although at one time it did advance a case on beachwear and also dropped its case relating to headgear.

Is "clothing" a fair word to use?

73. I now need to consider what a fair specification would be to reflect the use I have found to be proven. The claimant submits the term to use is “clothing”; the defendant submits the term “clothing” would not be appropriate or fair.
74. First I note that Mr Waters accepted that the term “clothing” was clear to him and was a category he understood. Although it is not a matter only for the evidence of witnesses, Mr Waters’ evidence is striking and undermines the defendant’s case that “clothing” is somehow unclear as a category. Even without Mr Waters’ evidence in my judgment the term “clothing” is a sufficiently clear and precise category to justify its employment in the specification of goods. Mr Waters’ evidence acts to reinforce that conclusion.
75. Since I reject the argument that “clothing” is inherently unclear, I also reject that ground of attack on the CTM and do not have to express a view about the conflicting judgments in YouView and BDO.
76. The real question is whether “clothing” is a fair description having regard to the use actually made of the CTM by the claimant. The thrust of the defendant’s case is that in reality, apart from socks, the claimant’s use has been limited to shirts and a few other items worn on the upper body such as polo shirts, jumpers and cardigans. If indeed that was a fair way to characterise the goods which have been sold by the claimant then there would be more force in the defendant’s submission. However the claimant has used the mark on goods including trousers, dresses and skirts, which all cover at least part of the wearer’s legs. The claimant’s goods also include jackets and pyjamas, which are different kinds of garments from a shirt or jumper. The goods also include boxers/underwear, another different kind of garment. The goods include a range of accessories to be worn such as ties, scarves, handkerchiefs, gloves and belts. The goods include items which are casual as well as formal.
77. I find that the range of goods in relation to which the claimant has put the CTM to genuine use, both in terms of the range of kinds of item and range of styles (formal to casual) justifies a registration in Class 25 based on the description “clothing”. A narrower classification based on individual items would not be fair.

Footwear

78. The only footwear which the claimant has sold in the relevant period are wellington boots. The turnover figure in the second five year period is only £2,193 which reflects the fact that what happened was that the claimant became interested in selling wellington boots as a result of events at a race meeting and had some boots made. The stock was then sold over a number of years. According to the claimant’s evidence there were still sales in the second five year period albeit the quantity was very low. The CTM was used in relation to these goods.
79. I am satisfied that the sales of the wellington boots by the claimant amounted to genuine use of the CTM. These were items which were being sold as part of normal commerce. There is clear evidence in a newspaper cutting that the Thomas Pink product was regarded as available and competing with other wellington boots from other companies selling the same sort of thing. They were not a promotional item.

80. I am not satisfied that the use made of this mark by the claimant justifies a registration for footwear in general. Wellington boots are a specific category of item from the point of view of the average consumer. After all the claimant itself has never shown the slightest interest in selling any other kind of footwear. A fair specification to reflect the claimant's use is "wellington boots" rather than "footwear".

Other classes

81. The issue in relation to Class 26 relates to buttons. There is clear evidence of use in relation to collar stays, stiffeners and supports but in relation to buttons the use relied on is in fact on collar and shirt studs. However a stud for a collar or a shirt and a button are different things, and would be regarded as different things by an average consumer. Class 26 needs to be amended to remove the reference to buttons but to insert studs.
82. In Class 18 I find that the claimant has put the mark to genuine use in relation to billfolds, credit card cases, containers, wallets and wraps made of leather and imitations of leather and not included in other classes. The real issue was whether the evidence relating to umbrellas, parasols and walking sticks, for which the turnover figures are very low in both periods (between £10,000 and £14,000) establishes use in such a way that the CTM was visible. Given Mr Heilbron's testimony I accept these as a category of genuine use. Class 18 ought to include reference to these goods.
83. The claimant maintained that it should be entitled to keep cufflinks and jewellery in Class 14. There was no dispute about cufflinks.
84. There is clear evidence from the claimant's accounting system that about £20,000 worth of something classified as "jewellery" has been sold but there is no evidence about exactly what it is. The problem with jewellery is that no examples have been given, all one has is the entry in the claimant's accounting system. The annual turnover was just over £10,000 in 2008 falling to about £2,000 in 2012. I am not satisfied that that is enough to support the registration for jewellery in the CTM because it is not possible to see exactly what sort of goods are referred to. They might have been rings, brooches or perhaps an expensive kind of cufflink. Mr Heilbron's evidence does not elaborate, no doubt because he is not in a position to know and one is left to speculate. The generic nature of the term "jewellery", the lack of detail and the tiny turnover figure put this in a different position from the other goods covered by the claimant's evidence for which examples are given showing the items in question. Without an example one cannot know what the claimant's accounting system is actually referring to. One is left to speculate. Perhaps a narrower description could have been supported but bearing in mind that the burden is on the claimant I am not satisfied that genuine use in relation to this category is made out.
85. The specification for the services in Class 35 are defined using the same terms as the other classes (save for Class 26). It follows from my decisions above that I accept the claimant's proposed specification for the services in Class 35 save for the reference to jewellery. I reject the defendant's narrower submission.

Distinctiveness and the UK Trademark

86. The defendant contends that the UK TM should be declared invalid as it is not distinctive, contrary to s3(1) of the 1994 Act (cf. Art 7 CTMR). Section 3(1) of the Act provides as follows:

“The following shall not be registered -

...

b) trade marks which are devoid of any distinctive character,

c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

d)

provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above, if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

87. Thus the first question is whether the mark is *prima facie* unregistrable pursuant to section 3(1)(b) and 3(1)(c) and the second question is whether even if it is *prima facie* unregistrable it has acquired distinctiveness through use.
88. The claimant submitted that because the UK TM was a stylised form of a word with a visual element, it could not be said to fall foul of either section 3(1)(b) or 3(1)(c) at all. The defendant submitted that the claimant was wrong and referred to the judgment of Arnold J in *Starbucks v British Sky Broadcasting* [2012] EWHC 307 (Ch) in particular paragraph 96. In that case Arnold J found that a sign consisting of the word “now” with a few lines coming out of the letter “o” like sunrays was precluded from registration under both Arts. 7(1)(b) and 7(1)(c) and these findings were upheld by the Court of Appeal [2013] EWCA 1465 (Civ).
89. One aspect of this debate is whether it is legitimate to regard section 3(1)(c) (Art 7(1)(c) CTMR) as applicable when a graphic mark consists essentially of a dominant objectionable word even though the mark has some other visual content. The point is that because the sub-section refers to a mark consisting “exclusively” of objectionable content, it could not apply in such a case. Arnold J explained in *Starbucks* that even if one takes the view that such a sign is free from objection under Art 7(1)(c) (s3(1)(c)) it would still be caught by Art 7(1)(b) (section 3(1)(b)). I agree.
90. In relation to acquired distinctiveness and the proviso, the defendant emphasised section 100 of the 1994 Act which provides that when a question as to the use to which a registered mark has been put arises in civil proceedings it is for the proprietor to show what use has been made of it. This firmly places the burden of proof on the user i.e. the claimant in this case. The defendant referred to *Overbank v Deutscher*

Bank Sparkassen Joined Cases C-207/13 and C-218/13 which emphasised the same point.

91. The claimant relied on case C-353/03 *Nestlé* as providing that it is possible to acquire distinctive character of a mark A when that mark is only used as part of another composite sign B even if sign B is separately registered as a mark. The defendant did not dispute this proposition as a matter of principle but submitted it did not apply on the facts of this case. I will return to that below.
92. The defendant also takes the point of law I have expressed already, i.e. that even if the use is in a composite such as in *Nestlé*, the use relied on to acquire distinctive character must be use of the mark exactly as registered. The claimant submitted that the defendant's submission was wrong and relied on C-12/12 *Coloseum Holding AG v Levi Strauss & Co* [2013] ETMR 34 in which the CJEU held that the analysis in *Nestlé* must also be applied in respect of assessing genuine use for the purposes of preserving a registered mark. The CJEU accepted the arguments for the German and UK Governments that the criterion of use which is fundamental to the trade mark system must be assessed consistently in all respects.
93. The claimant submitted that the logic of the CJEU's judgment in *Coloseum* is to draw an analogy between the assessment of use from the point of view of revocation for non use and from the point of view of use to acquire distinctive character and avoid invalidity. Since use in a form which does not alter the distinctive character of the registered mark is use which can be taken into account when considering revocation for non-use, this logic means that when considering whether a mark has acquired a distinctive character the effect of the same sort of non-identical use can be considered too.
94. I can see no good reason why European trade mark law should be as restrictive as the defendant's submission suggests. The defendant makes a strong point that there is no legislative provision corresponding to s46(2) (CTMR Art 15(1)(a)) in the context of acquired distinctiveness and that the language of the proviso (which is also in Art 7 CTMR and Art 3 Directive) refers to the "use which has been made of it". That is true but not determinative.
95. Proprietors do not always and consistently use a mark in precisely the form as registered. This is recognised in s46(2) (Art 15 CTMR, Art 10 Directive) which permits such minor variations to be taken into account in order to avoid revocation of the mark. If such use can be relevant to avoid non-use it would be unfair to the proprietor to ignore the same use of a mark from the point of view of acquiring distinctiveness merely because it was not absolutely identical to the registered mark. For example I can see no good reason why a proprietor should be barred from relying on oral use of prominent parts of a word or device mark to support the acquisition of a distinctive character. In an (entirely plausible) situation in which a proprietor has used what it regards as its core brand in various slightly different forms in different contexts which do not differ in their distinctive elements, the defendant's submission would demand an impossible factual analysis in which one tried to separate out the effect of different acts of use.
96. In this case the mark consists of a descriptive word with some visual additions. The proprietor of such a mark may conduct its business in such a way as to emphasise the

visual elements of the mark apart from the descriptive word itself in such a way as to enhance their contribution to the distinctiveness of the mark overall. However a proprietor may also do things to enhance the distinctiveness of the word itself which will have a knock-on effect of the distinctiveness of the registered mark. Taking this latter approach does not necessarily require any particular emphasis on the fine details of the visual additions.

97. The way the trade mark system ensures that the register does not have marks on it which are not actually in use is through the non-use provisions. There is no good reason to take a more restrictive approach than that in relation to acquired distinctiveness.
98. For these reasons I prefer the claimant's submission on this point of law to the defendant's submission. In order to support acquired distinctiveness and therefore rely on the proviso in s3(1) (Art 7(3)), a proprietor is entitled to rely at least on use of the mark in a form which differs from the mark as registered in elements which do not alter the distinctive character of the registered mark.

Distinctiveness of the UK TM – the facts

99. To address this I will first consider the UK TM as registered and its inherent distinctive qualities and then consider whether the UK TM has acquired a distinctive character through use.

Inherent qualities of the UK TM

100. It is convenient at this stage to examine both the UK TM and the CTM. The CTM consists of the word PINK alone above the full name and address in smaller type. In the CTM the word PINK alone is presented in a particular form. It uses lettering in an outlined style with a slight shadow. For example in the letter "I", although the top and bottom horizontal parts are rendered with single lines, the vertical part consists of two parallel lines, with the right hand vertical thicker than the left hand vertical to give a shadow effect. The letters have serifs with a slight curve. Within the outlines there is horizontal cross hatching which could be reminiscent of embroidery stitching. Some parts of some letters use thin lines instead of an outlined style (e.g. in the "N"). The name and address are written in a smaller plain sans-serif typeface.
101. I will address below the claimant's argument that in fact in use both forms of PINK appear together. At least at first sight the UK TM presents the word PINK in a form which is not identical to the form of PINK in the CTM. The UK TM also uses lettering in an outlined style. The outlining appears more pronounced in the horizontal elements of the UK TM than in the CTM. Instead of cross-hatching the letters in the UK TM used a panelling effect. The little rectangular panelled parts inside the letters are offset slightly to create an effect similar to the shadow in the CTM. The lines making up the letters in the UK TM are pink in colour. The background colour is visible both outside the letters and inside the outline of the letters.
102. To support its case on *prima facie* or inherent distinctive character the claimant relies on the special form in which the word "PINK" is presented in the UK TM. The UK TM registrations show a rectangular box around the word "PINK". The claimant

submitted that the box itself was not part of the UK TM but was only a border shown to illustrate that the background could be black or white. Moreover the claimant submitted that the series of two marks (referring to the judgment of Roger Wyand QC relating to series marks in *Comic Enterprises v Twentieth Century Fox* [2014] EWHC 185 (*Glee*)) with a background which was black in one instance and white in another indicated that the background could be any colour bearing also in mind the principle that a trade mark registered in monochrome covered use in any colour whereas a trade mark registered in colour covered that colour.

103. The defendant did not agree that the box was not part of the registration. I agree with the defendant and reject the claimant's first submission that the rectangle shown in the UK TM is nothing more than a means for presenting the colour of the background. The box presented in the UK registration is part of the trade mark. In other words the UK TM is not simply the word "PINK" in a special form, it is the word "PINK" in a rectangle.
104. As regards the claimant's second submission, in the *Glee* case Mr Wyand QC had to deal with a series of two marks, one of which was in colour and the other in monochrome. He addressed the impact of s41 of the 1994 Act (which defines what a series of trade marks is) and the cases on the issue in paragraphs 63 to 73 of his judgment. The defendant also supported the reasoning of Wyand QC in this section and submitted that the right approach with a series of marks was to identify a "single point of comparison" (referring to the decision of the Appointed Person Richard Arnold QC (as he then was) in *Sony Ericsson* (O/138/06) set out by Mr Wyand QC in paragraph 67 of *Glee*. I accept the defendant's submission as to the law (which I think was common ground). When faced with a series mark it is necessary to bear in mind that there is only a single registered trade mark. All the instances in the series are manifestations of the same mark. So in order, for example, to carry out a comparison with a sign so as to assess infringement, it is necessary to work out what the single registered mark is so as to provide a single point of comparison with the sign alleged to infringe.
105. Unlike the two marks in *Glee*, in this case neither mark in the series is entirely monochrome. Both involve lettering made up of lines in pink colour against a background. The difference between the two is the background colour inside the rectangle. Counsel for the defendant submitted that the correct interpretation of the registration is that the mark as registered consists of the word PINK in the special form shown, presented in a rectangle in which the background may either be black or it may be white but it may not be any other colour.
106. I do not accept the defendant's submission because it does not provide a single point of comparison. The defendant's submission makes the series two distinct marks, one pink and white and the other pink and black. I prefer the claimant's submission that the true interpretation of this series is that the background colour may be any colour. That approach means that both instances are instances of the same single mark and provides a single point of comparison. There must be a box, but the background colour in the box, which is the colour outside the letters and inside the outlines, can be any colour.
107. Now that the nature of the mark registered by the UK TM has been determined I can consider whether it satisfies s3(1)(b) or s3(1)(c).

108. The mark is predominately the word “pink”, which describes a characteristic of clothing. The rectangular box and the fact that the lines of the lettering are in a pink colour do not seem to me to add anything sufficiently significant visually to avoid either section 3(1)(b) or 3(1)(c). The claimant’s best case relates to the special form in which the letters are presented. It was not disputed that the particular form is unique to the claimant and was designed especially for it. Despite this I find that the UK TM as registered does not *prima facie* satisfy either sections 3(1)(b) or 3(1)(c). Even if the visual elements could be regarded as enough to avoid section 3(1)(c) on the basis of the word “exclusively”, in my judgment the mark does not *prima facie* avoid 3(1)(b). Accordingly for it to remain on the register it needs to have acquired distinctiveness and thereby obtain the benefit of the proviso.

Has the UK TM acquired distinctiveness?

109. The claimant does not use a mark which looks exactly like the image appearing on the UK register on any goods or in any shop, paper material or anything else. However the claimant submits that in fact:

- i) the presentation of the word PINK in the UK TM is the same as in the presentation of the word PINK in the CTM save that in respect of the UK TM the letters are unfilled whereas in respect of the CTM the letters have been filled in with black ink; and
- ii) the device used predominantly by the claimant e.g. on bags, swing tags, labels and other packaging, which presents the CTM on a pink background, in fact involves overlaying the CTM on top of the UK TM whereby the UK TM is applied as an outline known as a stroke to increase the legibility against that background. A colour illustration to demonstrate this point was presented on the claimant’s closing skeleton. The first two rows show how a monochrome word is rendered with a black infill or with a pink stroke and the last row shows the combined result. The last row depicts the word PINK as it appears frequently in the claimant’s swing tags, labels and packaging. The illustration is:



(This diagram only makes sense in colour)

110. The defendant contended that this submission was based on evidence which had not been called at trial. I agree. Moreover it is plainly wrong. The argument ignores that fact that the UK TM requires the lines of the letters P, I, N and K to be in a pink colour. The image on the third row, which does correspond to the way PINK is commonly used by the claimant, is not use of a mark identical with the UK TM for the simple reason that the lettering is not in a pink colour. The suggestion, if made,

that the pink lines are present but just do not show up against the pink background, is not sensible.

111. The real issue is whether the UK TM has acquired distinctiveness as a result in particular of the extensive use of PINK by the claimant. There is clear evidence that the claimant uses the CTM against a pink background in its form as registered, and also sometimes with a line separating PINK from the address, on a very extensive scale and has done so for many years. Moreover I find that the claimant has used the mark PINK as shown in the third row of the illustration above against a pink coloured background and also against other backgrounds, on an extensive scale for many years. The use has been on and in relation to the various items of clothing and other goods discussed above already.
112. The CTM when presented on a pink coloured background includes a mark consisting of the word PINK in an outlined format as a composite part of it. That mark differs only in immaterial aspects from the UK TM as registered. The differences between the format of PINK in the CTM and PINK in the UK TM are extremely minor and would not be regarded as distinctively significant by any average consumer. The typescripts are very close, a pink colour is present albeit in a different place (background rather than lettering) and the lack of a rectangle is not significant. The important distinctive element of the UK TM is the word PINK in a special format and that is what the average consumer would perceive in use. Accordingly the claimant's use of the CTM is capable, at least in principle, of leading to the acquisition of distinctive character by the UK TM.
113. Given the very extensive use of the CTM over a lengthy period and given all the other evidence of distinctiveness such as the evidence of the claimant's staff witnesses, I find that the UK TM has acquired a distinctive character and accordingly can take the benefit of the proviso to s3(1).
114. The UK TM has acquired a distinctive character in relation to all the goods for which it is registered. There was no suggestion that if the UK TM had acquired distinctiveness through use, nevertheless that did not support the scope of specification of goods and services for which the UK TM was registered.

Infringement of the Trademarks

115. The claimant submits that the defendant infringes the CTM and the UK TM both under Art. 9(1)(b) CTMR / section 10(2) and also under Art 9(1)(c) CTMR / section 10(3). I will consider likelihood of confusion under Art. 9(1)(b) CTMR / section 10(2) first. This involves a number of factors:
 - i) Average consumer
 - ii) Comparison between the goods or services
 - iii) What sign has the defendant used?
 - iv) Context of the use
 - v) Distinctiveness of the registered marks

- vi) Evidence of actual confusion?
 - vii) Comparison between the registered marks and the signs
 - viii) Conclusions on likelihood of confusion
116. Once those factors have been addressed I can consider likelihood of confusion globally for each relevant circumstance.

Average consumer

117. The likelihood of confusion is assessed from the perspective of the average consumer of the goods or services in question. The average consumer is always deemed to be reasonably well informed, observant and circumspect although his or her level of attention may vary depending upon the nature of the goods or services in question and how they are acquired. The average consumer is not a single person but represents a distribution of consumers; see the review of the law in this area by Arnold J in **Jack Wills v House of Fraser** [2014] EWHC 110 (Ch), paragraphs 63-65. Referring to **Interflora v Marks & Spencer** [2012] EWCA 1501 (Civ) the defendant emphasised that the average consumer test is normative and it falls to be applied objectively by the judge from the perspective of the relevant construct.
118. Here the average consumer is a consumer of clothing. There are several features of this average consumer which fall to be considered:
- i) The average consumer represents a spectrum of consumers who are from different backgrounds and shop in different ways; some will be tourists, others will be locals to an area, some will shop for themselves, and others will be buying a gift for someone else.
 - ii) Although many consumers of clothing are very brand conscious that does not apply to all consumers. In my judgment the average consumer will exercise a moderate degree of attention to branding but will not scrutinise the fine print of swing tags and labels.
 - iii) Consumers of clothing vary enormously in their tastes and their means. At times in the argument the defendant appeared to be advancing a case which divided the average consumer into a consumer of low end clothing (who might buy the defendant's products) and a consumer of luxury clothing (who might buy the claimant's products). The extent to which this may be relevant to passing off is something which would only be relevant to that claim, but in relation to the question of registered trademark infringement for a mark registered for clothing it is not relevant. The average consumer represents consumers at all levels of the market.
 - iv) The average consumer represents both male and female consumers. In addition both sexes will buy products for themselves and for members of the opposite sex as presents.
 - v) Consumers of clothing shop in different contexts, sometimes people set out to buy a particular thing or to buy something for a particular occasion, but in

other circumstances shopping is an end in itself and the consumer is simply browsing. As the claimant submitted, this is evidenced in large shopping malls such as Westfield or Bluewater or at a famous department store where shoppers might go and "have a wander" or perhaps drop into a shop which catches their eye.

- vi) Where the average consumer shops in retail stores, he or she is likely to be drawn inside based on material visible from the exterior of the store including signage and promotions and in particular the name of the store and anything in the windows.
- vii) Consumers come to expect that a shop front for example on a street or in a shopping centre represents a single store. Two shop fronts, even if adjacent, are not without some other indication going to be assumed to be linked to each other.

119. In making the findings above, I am essentially accepting the claimant's submissions.

Comparison between the goods and services

120. The goods for which the UK TM is registered are set out in annex 3.
121. The defendant sells various items of clothing and other things. No definitive list of the defendant's goods was produced by either side. A convenient list of the items of clothing sold by the defendant is the following (the groups may overlap): underwear (including lingerie), sleepwear, loungewear (such as vest tops and yoga pants) and sportswear, beachwear, swimwear, blouses, t-shirts, ladies tops and sweaters. These are all identical goods to clothing (relevant to the CTM).
122. The clothing goods identical to the UK TM registration are blouses and beachwear. The remaining items sold are similar to those in the UK TM registration. For example underwear including lingerie is similar to nightwear and boxer shorts, sleepwear is identical or similar to nightwear, swimwear is similar to beachwear, t-shirts are similar to polo shirts.
123. The only footwear in evidence sold by the defendant are flip flops. They are identical to footwear (UK TM). The defendant submitted they were not similar to wellington boots (relevant to the CTM). I do not agree. Although flip flops and wellington boots do not compete with one another they are both kinds of footwear and are sold in the same trade channels to similar kinds of consumer.
124. Considering other goods the claimant submitted and I agree that towels were similar goods to beachwear (UK TM) and clothing (CTM), that phone cases were similar to credit card cases (UK TM and CTM) and to containers made of leather and imitations of leather (CTM).
125. The defendant also sells beauty products and personal care products such as perfumes and lotions. It submitted there was no similarity between these and any of the goods in Class 25 or any other classes for which the claimant's marks are registered. The claimant submitted, based on Mr Heilbron's evidence, that consumers encountering a fashion brand would expect it to cover both clothing as well as accessories and

fragrances. He was not challenged. Mr Waters' view was that for a clothing mark to have a complementary perfume product was true at the luxury end of the fashion market but not the mass sector. I find that perfume and the other beauty and personal care products are similar to clothing and accessories. The latter include, for example, scarves which are expressly part of the UK TM.

126. Another range of fashion accessories sold by the defendant are bags. The claimant submitted these were similar to clothing (CTM). I agree. They are sold in the same trade channels to the same users and are often made of similar materials. They are also similar to "billfolds, credit card cases, wallets" in Class 18 (UK TM).
127. The retail services offered by the defendant are all either identical or similar to the services registered in Class 35 for the CTM. On the question of retailing beauty products, the UK TM registration in Class 35 also refers to non-medicated toilet preparations.

What sign has the defendant used?

128. The defendant submitted that its use could be divided into four categories:
 - i) Use of VICTORIA'S SECRET PINK in lock-up format;
 - ii) Use of PINK above the trademark VICTORIA'S SECRET;
 - iii) Use of PINK as an element in a slogan in various different configurations; and
 - iv) Use of PINK alone (in various scripts).
129. The defendant provided examples of these four categories and they are depicted in Annex 2 below. The categories are reasonable although I remind myself that in principle each different presentation of PINK by the defendant is in issue and might need to be considered separately.
130. There was a dispute about the first category. The claimant did not accept that the defendant had ever used the words "VICTORIA'S SECRET PINK" in lock-up format in the United Kingdom. Only two examples were relied on by the defendant as use of the phrase in that form. They are both shown in box 1 of annex 2.
131. The first example is on a brass plate outside Lancashire Court which leads off Bond Street to the defendant's PINK store. In it PINK appears prominently below VICTORIA'S SECRET. The word PINK is written in an outlined typeface whereas VICTORIA'S SECRET is written differently. It is not use of VICTORIA'S SECRET PINK in lock-up format. It is a format which places an emphasis on PINK and draws a distinction between VICTORIA'S SECRET and PINK. This example is the only instance in which these signs are presented in this way in the evidence. There is no product on which the signs appear like this.
132. The other instance relied on was on Facebook. Here the sign used is the words VICTORIA'S SECRET PINK in lock-up format. However the claimant did not accept that the Facebook presence was targeted at consumers in the UK or Europe. This was part of a wider point by the claimant that certain instances of use referred to

by the defendant in the context of its arguments on acquiescence and due cause were not relevant as they had not taken place within the UK or EU.

133. The law is clear that in deciding whether what happens on a website amounts to use of the sign within the EU, the fact that a website can be accessed from the EU is not enough (*L'Oreal v EBay* C-324/09 paragraph 64). The question is whether the website targets consumers in the relevant territory. In the *BDO* case Arnold J collected together the various authorities on this point (paragraphs 100 to 107) and I cannot improve on his analysis.
134. The claimant submitted that the Facebook presence was and had always been targeted to the USA and so did not constitute relevant use in the UK/EU.
135. No doubt users in the UK and elsewhere in the EU could and did access the site but all indications on it show that from the time when it started until sometime approximately in 2012 the Facebook postings were not targeted to the EU or UK. The language was US English, the currency was US dollars, no telephone numbers appear directly but the Facebook page links to the L Brands' US website with US telephone numbers. The vast majority of the content refers to US college type events at US universities. In addition to the events at US universities, the content referred to US store openings, sales for US specific holidays and posts in support of the US Olympics team.
136. Sometime in 2012, the Facebook postings started including references to events in the UK. The events are usually store openings. The evidence shows examples of about six or seven. There might have been a few more. No other change has been drawn to my attention. The question is whether this means that it is correct to say that the Facebook presence is today targeted at consumers in the UK. In my judgment it is not. Merely adding a few recent postings which refer to events in the UK is insufficient to alter the targeting of the defendant's Facebook presence bearing in mind the other factors I have considered.
137. Thus I find that VICTORIA'S SECRET PINK in lock up format has not been used in the EU by the defendant (or by its affiliates). Nevertheless in case my conclusion on the targeting of the Facebook site is wrong, I will consider the infringement case against VICTORIA'S SECRET PINK on Facebook in any case.

Context of the use

138. The Court of Appeal in *Specsavers v Asda* [2012] EWCA Civ 24 held that when considering infringement the sign is not to be considered stripped of its context. The parties could not agree how this was to be applied in this case and could not agree how widely the court should cast the net when considering the context in which the defendant uses the sign complained of. This argument also interacts with the debate about the nature of the sign actually used by the defendant. For example consider the brass plate in Lancashire Court shown in box 1 of annex 2, that could be (a) use of the sign PINK in a context consisting of a brass plate carrying the words VICTORIA'S SECRET above it or (b) use of the sign VICTORIA'S SECRET PINK, albeit that PINK appears in a different typeface from the earlier words.

139. The point in the argument at which this debate has most force is in relation to the numerous cases in which the defendant has put the word PINK alone on a garment (examples above and in box 4 of annex 2). Here it is manifest that the sign to be considered is the word PINK (presented in a particular form in a particular case). However the defendant submits that two things also play a role as relevant context. First is the fact that every garment has a swing tag or label such as a neck label or both on which the words VICTORIA'S SECRET appear. The swing tag or label looks like box 2 of annex 2. Second is the fact that the defendant's goods are sold in shops which include numerous prominent references to VICTORIA'S SECRET. Moreover the defendant's PINK stores are generally physically linked to a VICTORIA'S SECRET store and the customer can walk inside between them. That is also submitted to be part of the relevant context.
140. The claimant did not accept that either of these things are relevant context. It argued that a realistic scenario would be to consider an average consumer encountering someone else wearing one of the defendant's products such as a casual top with PINK written across the front. In that scenario neither the store nor the swing tag nor neck label would be visible and could not play any part. Therefore neither element could be part of the relevant context when considering whether that sign infringed.
141. At paragraph 87 of Specsavers Kitchin LJ held that the general position is that the matter had to be considered from the perspective of the average consumer of the goods and must take into account all the circumstances of that use that are likely to operate in that average consumer's mind in considering the sign and the impression it is likely to create. The sign is not to be stripped of its context.
142. I will consider the use of the sign PINK by the defendant when it is emblazoned prominently on a garment. Used in this way the sign is meant to be seen by persons other than the wearer when the garment is worn after purchase. The defendant rightly did not suggest that this sort of use was purely decorative. It is not. A person looking at someone wearing one of these items of clothing will see the sign PINK as having some origin significance. In this context the person seeing the garment will not see a neck label or a swing tag nor any other indication of where the goods have been bought.
143. I find that in considering the effect of the use of the sign visibly on a garment, this post-sale context is a realistic and fair context in which to do so. It does not involve either of the two further elements relied on by the defendant, neither the swing tag (etc.) nor the shop.
144. These conclusions also apply to the uses of PINK with a slogan such as in box 3 of annex 2. Whether they are examples of the sign PINK alone with the slogan and device as part of the context or use of a composite sign consisting of the entire slogan and device has no practical significance in this case. Either way the slogan and device fall to be considered. They are presented prominently on the garments to be seen after sale and cannot rely on either a swing tag (etc.) or a shop layout as relevant context. Also they are not merely decorative in nature but would be understood as having some origin significance.
145. This post sale context is also applicable to the other products, such as the defendant's body lotion, which have PINK emblazoned prominently across the front along with

the words VICTORIA'S SECRET underneath. These goods are not worn post sale but nevertheless the sign PINK is presented so as to be seen after purchase.

146. In addition to the post-sale context there are three other potentially distinct contexts or situations which fall to be considered on the facts of this case:
- i) The proper context to consider swing tags and labels;
 - ii) The proper context to consider the signage on the defendant's PINK shops; and
 - iii) The Facebook presence.
147. The swing tags and garment labels ought fairly to be considered in the context of the defendant's store because it is in a shop that the average consumer will look at them. In fact there are two kinds of PINK shop – some are physically linked to a VICTORIA'S SECRET store and some are free standing.
148. In considering the impact of the shop signage, if there is a likelihood that the average consumer would be drawn inside a retailer's premises as a result of shop signage on the street which is confusingly similar to another retailer's trade mark, then that is a relevant likelihood of confusion from the point of view of the retail services in Class 35. It would remain relevant confusion even if the consumer was later disabused of their mistake once they entered the premises. This is because the purpose of a shop sign on a shop is to draw the consumer inside the premises. That is how a trade mark for retail services works. It acts as a badge of the origin of the retail services themselves rather than a badge of origin of the goods on sale. It does not operate at the point of sale of individual goods, it operates at the point at which the consumer chooses to enter the shop. The claimant referred to the judgment of Arnold J in *Och Ziff* on the matter of "initial interest confusion". I would not characterise the confusion I have described relating to retail services as mere initial interest confusion.
149. Accordingly when considering the proper context of a shop sign, it is fair to consider what is visible in the shop windows. They are part of the context in which an average consumer encounters the shop sign and decides whether to enter the shop. However they will vary from day to day and care needs to be taken in placing too much weight on what is shown in a shop window. It is not fair to take into account the details of the internal elements of a shop which are not clearly visible from the street.
150. The Facebook presence involves another distinct context compared to the previous ones. The interior of the defendant's retail premises has nothing to do with how the average consumer will perceive postings on Facebook.

Distinctiveness of registered marks

151. The UK TM has acquired a distinctive character through use and that use will also have acted to support the distinctive character of the CTM. However the fact remains that pink is a colour. If a consumer asks for a "pink shirt" they may mean to refer to the claimant or they may simply be referring to the colour of the item. I would characterise the level of distinctiveness of the claimant's two marks as a normal level. The marks do not enjoy an enhanced level of distinctiveness.

152. The name THOMAS PINK and address are present in the CTM. The name has its own origin significance and the address has a significance to some consumers as relating to shirt making. However the prominent element of the CTM is the word PINK in the outlined format. For the UK TM, the prominent element is also the word PINK in a particular format. The typeface used in the UK TM differs in detail from the CTM but is very close to it. I doubt the average consumer would notice the difference.

Evidence of actual confusion

153. The claimant called evidence from thirteen members of staff who attended for cross-examination. They were Evelina Jankute, Helen Petty, Kim Dwelly, Aron Lias, Justin McGauley, Natasha Shakespeare, Tara Connell, Lynsey Jackson, Leo MacKillop, Robin Jago, David Mougín, Caroline Kindregan and Marine Darnige. Each gave their evidence fairly, trying to assist the court to the best of their recollection. David Mougín is the country manager for the claimant in France and both he and Marine Darnige gave evidence about events in the claimant's stores in Paris. In the UK the evidence covered events in London (Jermyn Street and Waterloo station), Manchester, Bristol and the Bluewater shopping centre in Kent. In Ireland Caroline Kindregan gave evidence about the "Kildare Village" outlet centre. The claimant also served a Civil Evidence Act notice and witness statement of Clodagh Maher, the Kildare store manager.
154. All of the witnesses experienced occasions on which members of the public appeared to be confused. A common kind of confusion was an assumption that one of the claimant's outlets sold lingerie or other goods which were in fact the defendant's goods. Once an individual tried to return an item bought from the claimant to the defendant. Sometimes an individual thought the claimant was a branch of the defendant or connected with the defendant. There were other examples.
155. A number of the examples could be criticised in detail. For example on a couple of occasions it is not clear whether any relevant confusion at all took place. The defendant can also point out that the claimant had the means to identify and call at least a couple of the individuals who were allegedly confused. One person seems to have been from outside the EU and another was a complete one off.
156. The defendant pointed out that the gathering together of this evidence was something done for the purposes of these proceedings, that Mr Heilbron was himself unaware of any instances of confusion until they came to his attention as a result of this exercise and there was no evidence of any confusion being brought to his attention spontaneously. The defendant is correct.
157. The defendant also submitted that given the range of locations covered by the witnesses and the number of customers who enter the claimant's shops, these examples are of a very limited nature and once one discounted the problematic examples (mentioned above) the remainder was so small in number as to be of no assistance.
158. One example was an individual on the telephone who was aware of both Thomas Pink and Victoria's Secret and had rung the claimant's store and been told it was "Thomas Pink" but still came to the claimant without realising it was not the defendant. The

defendant suggested this was an example of a person who was not reasonably well informed and circumspect and therefore irrelevant. However it is not that simple. This evidence, which is inconvenient to the defendant's case, could just as easily be interpreted as showing that even reasonably well informed and circumspect consumers are still confused and do not notice the significance of the word THOMAS. Without calling the individual one cannot say.

159. Some of the examples involved members of the public wrongly assuming that the claimant or the claimant's shop was associated with the defendant. Although that sort of confusion is in a sense the wrong way round, it is capable of being relevant to establish a likelihood of confusion and the likelihood of a link for the purposes of s10(3) /Art 9(1)(c).
160. However when I stand back and consider it overall, the claimant's evidence of actual confusion is not of sufficient weight to lend any significant positive support to the claimant's case but it does play an important negative role in this action. Its existence is sufficient to prevent the defendant from credibly contending that there is no evidence of actual confusion in the UK or EU.
161. For the defendant Mr Cook explained that he was not aware of any confusion and neither were his colleagues. I am sure he was telling the truth. Nevertheless I am not satisfied the defendant organisation has undertaken a thorough search for such evidence. The evidence from the defendant does not rule out the existence of customer confusion here.
162. The defendant also pointed to lack of evidence of confusion in the USA, despite the many years of side by side trading there. That is a submission the defendant can credibly make. I infer there is no significant confusion taking place in the USA. However I am not satisfied that trading conditions and the relative positions of the parties in the USA are sufficiently similar to the UK or EU for this to be a matter on which much weight can be placed.

Comparison between registered marks and the signs

163. The defendant uses PINK in various ways. A frequent way in which the defendant presents PINK is in an outlined typeface:

PINK

164. That is the manner of presentation on the shop front, the swing tags, the neck labels and the brass plate. It also appears this way on the front of some garments and other products. That form of PINK is very similar to the prominent element of the CTM and the UK TM since it involves the word itself. The outlined typeface enhances the similarity between the sign and the mark.
165. PINK is also frequently presented by the defendant without the outlined typeface (examples in box 4 annex 2). On these occasions the sign is still very similar to the prominent element of the CTM and UK TM.

166. The defendant also uses PINK in a slogan such as “Life is PINK is life”, “LOVE PINK” and “Property of the University of Pink”. Use in a slogan by the defendant will reduce the similarity between PINK and the claimant’s marks somewhat, particularly since they are device marks, but that reduction will not be substantial because using a brand in this way is something the average consumer will be familiar with. The claimant too uses slogans involving PINK such as “Any colour as long as it’s ... PINK” and the rondel used on a t-shirt with the word “Thomas Pink Jermyn Street”.
167. On the swing tags, labels and in other places the defendant presents PINK in the outlined typeface above VICTORIA'S SECRET in much smaller writing and a simpler typeface. Examples are given in this judgment. The average consumer will perceive this as the presentation of two distinct signs. One is the sign PINK. It is large, prominent and in its own typeface. It is also often in a red colour. The other sign is VICTORIA'S SECRET. That is a sign which the average consumer will recognise in its own right. To the average consumer it is a very well known brand of lingerie. The presence of VICTORIA'S SECRET is an important part of the context in which the sign PINK is being presented but the sign cannot fairly be characterised as “PINK VICTORIA'S SECRET” or even “VICTORIA'S SECRET PINK”. It is neither of those things.
168. The shop sign involves the slogan “Life is PINK is life” with PINK presented in the outlined typeface and VICTORIA'S SECRET written in small writing underneath. The average consumer would perceive this as the sign PINK being used in a slogan. The sign VICTORIA'S SECRET is also part of the context but is not prominent.

Conclusions on likelihood of confusion s5(2)/ Art 9(1)(b)

169. I find that the use of PINK emblazoned on the defendant’s items of clothing gives rise to a likelihood of confusion with the CTM on the part of the average consumer. This arises for all the examples in box 4 annex 2. The goods are identical, the sign is very similar to the mark and nothing in the context will act to reduce a likelihood of confusion.
170. I reach the same conclusion in relation to the use of PINK in slogan and device format as shown in all the examples in box 3 annex 2 on items of clothing. The goods are identical and nothing in the context will act to reduce a likelihood of confusion. Use in a slogan and device will reduce the similarity with the marks a little but not enough to avoid a likelihood of confusion.
171. I find that the defendant’s shop facia on its free standing stores also gives rise to a likelihood of confusion. The retail services are identical. The slogan acts to reduce the similarity but only a little. The reference to VICTORIA'S SECRET is too small to play a material role. The outline format of PINK enhances the similarity. The evidence does not show that the shop window displays are such as to have major significance (e.g. Bundle 3A/11/1). To the extent that there are any references to VICTORIA'S SECRET in the window they are not sufficiently prominent or consistent to have a material effect.
172. The fact that some PINK stores are beside a VICTORIA'S SECRET store or linked inside does not make any difference. The link inside is irrelevant. The average

consumer would not normally pay any attention to or attribute any origin significance to the name of a shop which is located beside another shop.

173. These conclusions also follow for the other goods of the defendant (flip flops, beauty products, towels and accessories such as phone cases and bags). Even in the cases in which the goods are not identical, they are similar and I find a likelihood of confusion.
174. Thus I find all of the defendant's activity using signs of the kind shown in boxes 3 and 4 of Annex 2 give rise to a likelihood of confusion.
175. I now turn to consider the swing tags and garment labels on clothing. Examples are in box 2 Annex 2. These swing tags and labels all use the outlined format of PINK, which increases the likelihood of confusion but they also present the name VICTORIA'S SECRET in small writing underneath. That reduces the likelihood of confusion but on its own I am not convinced it would be sufficient to avoid infringement under 9(1)(b) CTMR. On the swing tags and labels the sign PINK plays an independent distinctive role. On this point the claimant relied on the decision of the CJEU in Medion v Thomson Case C-120/04.
176. The decisive factor in my judgment is the retail context inside the shops. The evidence was that for the Bond Street/Lancashire Court store(s) the vast majority of customers (99.2%) walk into the store via the Bond Street entrance which is branded only with VICTORIA'S SECRET. They get to the PINK part by passing through the VICTORIA'S SECRET store. When the average consumer encounters the PINK swing tags and labels in that store they cannot fail to have understood that they are in a VICTORIA'S SECRET store.
177. The claimant's best case would be to consider the swing tags and labels in the context of the defendant's freestanding PINK stores. Here the customer will not have entered through a prominently marked VICTORIA'S SECRET entrance, they will have walked in under the PINK facia addressed above. This enhances the likelihood of confusion. However once inside the shop the customer who looks at swing tags and labels will be looking closely at the goods. They will be surrounded by merchandise all of which is marked with the swing tags and labels which refer to VICTORIA'S SECRET as well as to PINK. The receipt is clearly marked VICTORIA'S SECRET and has the VICTORIA'S SECRET returns policy on the back. Although the receipt is obviously provided after the customer has bought the item, it is fair to take this into account as part of the retail context inside a shop. Mr Cook also explained that when customers queue for the changing rooms they are exposed to brand education material. I accept (although Mr Cook did not say so in terms at that point in his testimony) that this will include references to VICTORIA'S SECRET as well as PINK.
178. In summary I find that even inside a free standing PINK store there is sufficient emphasis on VICTORIA'S SECRET to counteract what might otherwise have been a likelihood of confusion under Art 9(1)(b) relating to the swing tags and labels. This applies to all goods sold by the defendant in this way. The sign PINK is not sufficiently distinctive to retain a distinctive role independent of the well known brand VICTORIA'S SECRET when it appears on swing tags and labels in the retail context

inside the defendant's PINK stores. Thus I reject the case under Art 9(1)(b) relating to the swing tags and labels as shown in box 2 Annex 2.

179. In addition to the swing tags and labels, the defendant does sometimes use PINK emblazoned on the front of its goods along with the word VICTORIA'S SECRET. One example is the body lotion shown at paragraph 13 above. There the words VICTORIA'S SECRET are truly tiny. The words only extend under the letter K and half of the letter N. It is fair to consider these goods in the post sale context and absent the impact of the retail context of one of the defendant's PINK stores. In these examples PINK plays an independent distinctive role. The words VICTORIA'S SECRET do not negative the likelihood of confusion. This use infringes under 9(1)(b) CTMR.
180. Although the brass plate is not representative of the way in which the defendant trades, I need to consider whether it infringes. The brass plate relates to the presence of the defendant's store in Lancashire Court. The sign is being used by reference to identical retail services. The sign PINK on the plate has an independent distinctive role. I find it infringes under Art 9(1)(b).
181. Finally I will consider Facebook. I find that even if it was targeted to the UK or EU, the use of VICTORIA'S SECRET PINK in lock up format would not give rise to a likelihood of confusion. The context of this use is very different from any of the other examples. The site is not selling goods to the public, it is part of the general promotional activity of the defendant and its affiliate companies. It would be seen as such by the average consumer. The sign VICTORIA'S SECRET PINK in this context would not be regarded by the average consumer as a compound in which PINK plays an independent distinctive role. Firm emphasis is placed on the well known VICTORIA'S SECRET lingerie brand. Even if the site is targeted at the UK or EU, it would not infringe under Art 9(1)(b).
182. So far I have considered the CTM. I reach the same conclusions under s10(2) in relation to the UK TM. The distinctions between the analysis applicable to the CTM and the one applicable to the UK TM are that the comparison between the mark and the sign is somewhat different (see above) and a number of the defendant's goods are similar rather than identical. Neither distinction makes a material difference to my conclusions.

Infringement under Art 9(1)(c) CTMR / section 10(3)

183. The factors to be taken into account in this case in considering infringement under Art 9(1)(c) CTMR / section 10(3) are:
 - i) Reputation
 - ii) Link
 - iii) Due cause
 - iv) Detriment

184. The claimant also pleaded an allegation of infringement based on unfair advantage but I do not regard that as tenable in this case and I will not consider it further.

Reputation

185. The defendant admitted that the claimant (and thus the CTM) had a sufficient reputation in the EU within the meaning of CTMR Art 9(1)(c) for formal shirts. The claimant submitted its reputation was wider than that. I agree up to a point but the reputation does not extend to clothing generally. The claimant is best known as a luxury retailer of shirts. The claimant has a major reputation for these goods. Its reputation extends more widely albeit at a somewhat lesser level, at least to casual clothing such as casual shirts, casual tops and polo shirts and also to knitwear and ties. It includes goods for men and for women. I find that the reputation includes boxer shorts and socks but is no more widely drawn than that. It does not extend to any of the other categories in the turnover table set out in annex 4. For example the reputation does not extend to skirts, dresses, trousers, scarves, footwear or t-shirts.
186. In summary the CTM has a major reputation relating to the luxury shirts and a sufficient reputation to satisfy Art 9(1)(c) for casual tops and knitwear for men and women and also for ties, boxer shorts and socks.

Link

187. Since a link is necessarily established between conflicting marks when there is a likelihood of confusion (*Intel v CPM* Case C-257/07 CJEU paragraph 57), I will focus on the instance which I found did not give rise to a likelihood of confusion under Art 9(1)(b). That is use of PINK, with VICTORIA'S SECRET in small writing underneath, on the swing tags and labels considered in the context of the defendant's retail stores.
188. *Intel* (paragraph 48 and 49) considered the overlap between the relevant sections of the public for the earlier and later marks. If there is no overlap at all then there can be no link (paragraph 48). Even if the two sections are the same or overlap to some extent there may be no link because the goods are so dissimilar that the later mark is unlikely to bring the earlier mark to mind. *Intel* is concerned with conflicting marks rather than a case of alleged infringement and so it made sense to talk about the relevant section of the public as regards the goods for which the later mark is registered. In an infringement case, like this one, one needs to consider the goods or services actually sold or provided by the defendant, rather than the scope of a later trade mark registration.
189. In *Intel* (paragraph 51) the CJEU refers to a case in which the mark has acquired a reputation which goes beyond the relevant public as regards the goods or services for which those marks were registered. This case involves the converse, a situation in which the reputation relates to a range goods which is more narrowly drawn than the goods covered by the registration. In such a case the relevant section of the public which falls to be considered relating to the earlier mark must be that section aware of the claimant's reputation. Otherwise the requirement for the existence of a reputation when considering Art 9(1)(c) makes little sense. Moreover since for example a link with an earlier mark is established if the average consumer seeing the later mark calls the earlier mark to mind (*Intel* paragraph 60), that only makes sense if one is

considering an average consumer who is aware of the earlier mark's reputation in the first place. I note that in Jack Wills (paragraphs 61 - 62) Arnold J came to a related conclusion in a case concerning the acquisition of distinctive character in relation to some but not all goods for which it is registered.

190. Thus, based on Intel but considering its application to an infringement case, there can be no link if the section of the public aware of the reputation of the claimant's mark would simply never encounter the goods or services actually sold or provided by the defendant. That makes sense because otherwise one would be considering an entirely hypothetical and artificial scenario.
191. The claimant submitted that the defendant's emphasis on the narrow nature of the claimant's reputation was misplaced because Art 9(1)(c) infringement covers cases of dissimilar goods. That is not an answer to this point. Goods can be dissimilar but can be goods which someone aware of the claimant's reputation will still encounter. To take the famous Claeryn/Klarien example, drinkers of gin will still buy household cleaning products.
192. Turning to the facts of this case, the consumers who are aware of the claimant's reputation will often be older than the "college girls" to whom the defendant's PINK goods are aimed. Nevertheless an example of a realistic average consumer is a woman in their late 20s/ early 30s who might wear one of the claimant's shirts during the day and a casual garment from the defendant in the evening or at the weekend. Thus female consumers who are aware of the claimant's reputation may well enter one of the defendant's PINK stores to buy goods either for themselves or as gifts for other people. Moreover while I doubt a large number of middle aged men enter one of the defendant's PINK stores unaccompanied, I am sure that some will do in order to buy gifts, perhaps for a daughter or a niece. In my judgment average consumers who are familiar with the claimant's reputation will encounter the defendant's swing tags and labels and will enter the defendant's premises with a view to buying the defendant's goods complained of in this action.
193. An average consumer presented with the swing tags or labels inside one of the defendant's stores will appreciate from the context that it relates in some way to VICTORIA'S SECRET. That arises both from the small words VICTORIA'S SECRET presented under PINK and is reinforced by the overall retail context. However crucially what they will see is a sign very similar to and reminiscent of the claimant's sign. It does not include the full name Thomas Pink nor the Jermyn Street address, but the key element is the word PINK itself. It is even presented in a format which is reminiscent of the claimant's PINK outlined format although that is not critical. The defendant's goods include some goods which are the same as the kinds of goods for which the CTM has a reputation in the mind of this average consumer (e.g. casual tops and socks). The rest are similar or very similar. I bear in mind that the CTM has a normal degree of distinctiveness and that the claimant has a well established reputation for shirts and a reputation sufficient to satisfy Art 9(1)(c) for the other goods mentioned above.
194. The defendant submitted the existence of a link to the CTM was untenable in this context. The defendant did not say why but I believe the argument was concerned with the nature of the context I have discussed already and the possible differences between the consumers aware of the claimant's reputation and those who would buy

the defendant's goods. I have taken these points into account. Despite them in my judgment the relevant average consumer will perceive a link between the CTM and the defendant's sign PINK as it is used on the swing tags and labels on all of the defendant's goods, even when they appear in the context of the defendant's stores.

195. The other scenario in which I found no likelihood of confusion under Art 9(1)(b) was the Facebook page. I reject the claimant's case under Art 9(1)(c) here. I doubt very many consumers aware of the claimant's reputation would look at the defendant's Facebook site at all but assuming some did, I find they would not make the link between the CTM and the sign VICTORIA'S SECRET PINK in lock up format as it is presented on Facebook. Here PINK is not presented independently of VICTORIA'S SECRET either grammatically or by using differences in format.

Due cause

196. To infringe under s10(3)/ Art 9(1)(c) the acts complained of must be without due cause. Based on the CJEU in ***Interflora and Interflora British Unit*** (Case C-323/09) the claimant submitted that normally due cause only applies to excuse acts which otherwise satisfy Art 9(1)(c) if they do not offer a mere imitation, do not cause dilution or tarnishment and do not adversely affect the functions of the trade mark. The defendant drew an analogy with the more recent authority of ***Leidseplein Beheer v Red Bull*** Case C-65/12. The facts of ***Leidseplein*** were that the defendant had used BULLDOG for 40 years in Benelux for hotel, restaurant and café services and had started using the sign complained of 8 years before the claimant filed for protection for its mark RED BULL KRATING-DAENG for energy drinks. The defendant later sought to extend its use of BULLDOG into energy drinks. The CJEU held that due cause can be established if it is demonstrated that the sign was being used before the mark of the claimant was filed and that use of that sign in relation to the identical product was in good faith. Three factors were identified by the CJEU as relevant to good faith (paragraph 60). They are essentially:
- i) how the defendant's sign has been accepted by the public and what its reputation is;
 - ii) the degree of proximity between the relevant goods of each party; and
 - iii) the economic and commercial significance of the defendant's use complained of.
197. In this case the defendant argues that Victoria's Secret has used PINK in the USA for many years in essentially the same way it now seeks to do in the UK and EU. It has due cause to use PINK in this way here because this activity is simply a natural extension of its substantial activities in the USA. It is not seeking to take advantage of Thomas Pink's rights. The goods sold by the defendant are distinct from the goods sold by the claimant. Moreover although there was a complaint by Thomas Pink in the USA some years ago there has now been co-existence there for a number of years and no evidence of confusion in the USA exists. The defendant also refers to the websites used by its affiliates in the USA which were in fact accessible from the UK and EU and led to sales here and to its catalogues which also led to sales here in earlier years. Whether the websites are to be regarded as targeted at the UK or not both they and the

catalogues did in fact play a part in making consumers here aware both of VICTORIA'S SECRET itself and PINK in particular.

198. My findings on these points are as follows. The corporate group of which the defendant is a part has used PINK in the USA for many years in essentially the same way it now seeks to do in the UK and EU. From the defendant's point of view the activity complained of in this case is a natural extension of its substantial activities in the USA. It is not deliberately seeking to take advantage of Thomas Pink's reputation but the defendant did not pause to consider what the claimant's European or UK trade mark rights actually were before it launched here. It simply went ahead.
199. Moreover many of the goods actually sold by the defendant are not different from the goods sold by the claimant. Leaving aside the proper scope of registered trade marks and looking at the actual products on sale, although the primary focus of the claimant is shirts and the primary focus of the defendant is lingerie, both parties also sell casual clothing on a substantial scale. It is not an incidental line for either party.
200. The evidence does not establish that catalogues from the USA and available here used PINK to any significant extent. As for the websites, prior to the launch by the defendant here, they were not targeted at the UK. The defendant is also right that although there was a dispute at one stage in the USA, a position of co-existence has been reached. There is a covenant by the claimant not to sue in the USA but it is limited to that territory. It does not confer a right to co-existence here. There is no evidence of confusion in the USA.
201. There are a number of distinctions between this case and *Leidseplein*. First, a key difference between *Leidseplein* and this case is that the prior acts in that case were undertaken within the Community. Trade mark rights are territorial and the fact that the acts the defendant relies on took place elsewhere is fatal to the defendant's case. The defendant's use prior to 2012 has not been accepted by any section of the public with which the CTM is concerned. Second, another key distinction is that the start of the use relied on by the defendant anywhere does not predate the CTM. The CTM was filed in 2004 while the earliest Victoria's Secret started using PINK in the USA was the same year. The claimant's trading began well before 2004. Moreover third, the fact that there is co-existence in the USA and a lack of confusion evidence does not take matters very far. The legal context in the USA and the parties' respective legal rights are not the same as the legal context and the parties' rights here in the EU. Fourth, some of the acts of the defendant infringe the CTM under Art 9(1)(b). Those infringing acts are an integral part of the same overall activity by the defendant. The defendant has no due cause for committing that sort of trade mark infringement. Fifth the goods and services offered by the defendant are and always have been in close proximity to the claimant's goods. This is not a case like *Leidseplein* in which a mark used for one kind of product without difficulty is now being used for different products. Sixth, the economic and commercial significance of the defendant's activity is substantial. This overlaps with detriment (below). The defendant is a major organisation and the acts complained of are being carried out on a large scale and will in future be carried out on an even larger scale. The defendant plans to open more PINK stores in the UK in the next year or so and intends to open PINK stores in the rest of the EU in future.

202. The claimant also submitted that the defendant's use here cannot be in good faith. In my judgment the position is as follows. As regards the acts of the defendant and its affiliates in the USA, there is no basis on which to come to a conclusion other than one that they have at all times been acting in good faith. As regards the move into Europe, the position of the defendant and its affiliates is that they have a dispute with the claimant about the nature and extent of its rights here. The dispute is bona fide in the sense that the defendant's position in these proceedings is not a sham, only adopted for the sake of argument. It did not in fact conduct a trade mark search before entering the market but based on its view, that would not have made any difference. The defendant's position taken before this court is a reflection of its genuinely held view. However the defendant is wrong about a number of important aspects of the claimant's rights in the UK and EU. The nature and extent of the claimant's trade mark rights are much more substantial than the defendant believed. The claimant's business is not purely limited to shirts. A registration for clothing under the CTM is fair. Important aspects of the defendant's manner of trading lead to a likelihood of confusion and infringements under Art 9(1)(b) CTMR / s10(2). I find that the premise on which the defendant decided to enter the European market was adopted in good faith but it was wrong. A reasonable business knowing what the defendant knows now would not continue to act in this way.
203. I find that the defendant does not have due cause to act in a manner which would otherwise infringe the claimant's trade mark rights under Art 9(1)(c)/s10(3).

Detrimental to distinctive character or repute

204. The defendant submitted that detriment to distinctive character or repute could only be shown if there was some evidence of a change in economic behaviour of the average consumer as a result of the activity complained of. The claimant pointed out that ***Environmental Manufacturing v OHIM*** (Case C 383/12) in which this point was discussed at paragraphs 34-43 did not require direct proof. A deduction would be sufficient as long as it was not simply something deduced from subjective elements such as consumers' perceptions (paragraph 37) or was the result of mere suppositions (paragraph 43). The court there emphasised that in ***Intel*** the court had required a higher standard of proof. What is required is a serious risk of detriment (paragraph 42).
205. The link to the CTM caused by the defendant's use of PINK in this case will cause a detriment to the repute of the claimant's mark. I will not use the term tarnishment since it is unduly pejorative. The defendant's overall business is a legitimate one. Nevertheless it is one which has been associated with some controversy, no doubt because "sexy sells". Examples were in the evidence of goods which had to be withdrawn by the defendant after complaints. The defendant's business aims to have a sexy, mass market appeal. The link between the CTM and the defendant's PINK brand will cause consumers to associate the two.
206. This is bound to cause a change in the economic behaviour of the claimant's customers. They will not see the CTM in the same way as before. The claimant's trade mark will be associated with a mass market offering, reducing its luxurious reputation. There is every risk that this will lead consumers not to buy products from the claimant when they otherwise would have done.

207. Furthermore the link to the CTM will inevitably cause a detriment to the distinctive character of the claimant's mark. The defendant is not using PINK in a descriptive sense, it is using PINK as an indication of trade origin for its articles of clothing and other articles. Over time, if it is not stopped, it is bound to cause the claimant's clothing trade mark to begin to lose its ability to act as a designation of the claimant as the origin of its goods. The defendant is backed by a huge business and is in a position to saturate the market with its conflicting origin message in a very short space of time. A key element in the claimant's mark, the word PINK, will not serve as an exclusive designation of the claimant. The public will think that the claimant's trade mark refers to Victoria's Secret. There is a real risk that this will lead to a change in economic behaviour. For example consumers are likely to enter one of the claimant's shops looking for lingerie and be surprised and disappointed when they find they have made a mistake.
208. I find that the case brought under s9(1)(c) based on the CTM is proved.

s10(3) and the UK TM

209. The defendant submitted that the claimant could not succeed on this extended kind of infringement in relation to the UK TM under s10(3) because the UK TM had not been used in a form identical to its form as registered and therefore could not have acquired the relevant reputation. That does not preclude a case under s10(3)/Art 9(1)(c) because, for the reasons already considered in relation to acquired distinctiveness above, the proprietor is entitled to rely on use in a form which did not alter the distinctive character of the mark in order to generate the relevant reputation. I find that the UK TM has the relevant reputation on the same basis as the CTM.
210. The similarities and differences between the outlined form of PINK in the UK TM and PINK on the defendant's swing tags (etc.) are very slightly different from the detailed similarities and differences relating to the CTM but those details do not matter for this analysis. I reach the same conclusion under s10(3) as I have reached under Art 9(1)(c).

Acquiescence?

211. Although the defendant pleaded an acquiescence defence under Art 54 CTMR/s48(1)(a), this defence cannot succeed. It is based on two trade marks for VICTORIA'S SECRET PINK in Class 25 (and other classes). One is a CTM 005993043 registered with effect from March 2008. It is a word mark. The other is International Registration WO 0000000 925667 registered with effect from 18 April 2007. It is a device mark with the words VICTORIA'S SECRET above the word PINK all in plain text. Mr Waters provided evidence about sales into the UK and EU but I am not satisfied that this related to any use of VICTORIA'S SECRET PINK.
212. The defendant's usage in stores here since 2012 is too recent to give a five year period of acquiescence and in any case that use has been of PINK alone or at best, PINK with the words VICTORIA'S SECRET in small writing underneath. Neither of these amount to use of VICTORIA'S SECRET PINK.
213. The only usage which could be said to be use of the word mark is on Facebook. Even if, contrary to my findings, it was targeted to the UK/EU on or after 2012, it cannot

found an acquiescence defence. It has not been carried out for 5 years. One other possibility is the brass plate at Lancashire court but it has not been in place for five years.

214. Finally, I find that the claimant only learned of the defendant's use in the UK and EU in 2012.

Passing off

215. In the light of my conclusions I do not need to consider the passing off case and I will not do so. If the claimant's trade mark case had not succeeded, it is hard to see how the passing off case could have succeeded.

Overall conclusion

216. I find for claimant. The defendant's use in the EU of PINK both on its goods and as the name of its stores is an infringement of the claimant's registered trade mark rights.

Postscript

217. Following handing down of the judgment in draft form the parties proposed various typographical and other corrections, which have been taken into account. The defendant also submitted that the second sentence of paragraph 114 above is not an accurate summary of its position at trial and referred to its Opening Skeleton paragraph 109(b) and its Re-Amended Defence paragraph 61. Neither reference articulates with any specificity a reason why, if the UK TM has acquired a distinctive character, it had not acquired that distinctive character for all the goods and services for which it is registered.

Annex 1

The specification of the CTM as originally granted and as marked up by the claimant.

Class	Description of CTM goods
3	Cosmetics, perfumery, toiletries; soaps; shampoos; preparations for the care of the hair, skin and body
14	Precious metals and their alloys and goods <u>Tie pins and tie clips in precious metals or coated therewith, not included in other classes;</u> jewellery, precious stones; horological and chronometric instruments; cufflinks
18	Leather and imitations of leather, and goods <u>Billfolds, credit card cases, containers, wallets, and wraps</u> made of <u>leather and imitations of leather</u> these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery
25	Clothing, footwear, headgear
26	Collar stays, collar stiffeners and collar supports; buttons; badges
35	The bringing together, for the benefit of others, of a variety of goods including clothing, perfumery, toiletries, cosmetics, jewellery, cufflinks, watches, goods <u>billfolds, credit card cases, containers, wallets, and wraps</u> of leather and imitation leather, umbrellas, articles of clothing, headgear and footwear in a retail store or retail department store, by mail order, by means of telecommunications or from an Internet website specialising in the marketing of clothing, perfumery, toiletries, cosmetics, jewellery, cufflinks, watches, goods <u>billfolds, credit card cases, containers, wallets, and wraps</u> of leather and imitation leather, umbrellas, articles of clothing, headgear and footwear; consultancy, information and advice in relation to all the aforesaid

Annex 2

Four kinds of presentation of the sign by the defendant

<p>1 Use of the words VICTORIA'S SECRET PINK in that order with the same emphasis:</p>  <p>Victoria's Secret Pink 13,383,381 likes · 56,126 talking about this</p>	<p>2 Use of the word PINK above the trade mark 'VICTORIA'S SECRET':</p>  
<p>3 Use of the word PINK as an element of a slogan (in various different configurations):</p> 	<p>4 Use of the word PINK alone (in various scripts):</p> 

Annex 3 – specification of goods and services for UK Trade Mark 2 565 078

Class 14

Cufflinks; tie pins and tie clips; studs, collar bones; jewellery, leather cufflink boxes, leather collarbone pouches, leather stud boxes.

Class 18

Billfolds, credit card cases, wallets and umbrellas, leather wraps.

Class 25

Men's and ladies' shirts, polo shirts, rollneck tops, ties, bowties, blazers, boxer shorts, socks, scarves, cravats, blouses, knitwear, dresses, wraps, nightwear, footwear, cummerbunds, braces, beachwear, hats and gloves.

Class 35

Retail services, mail order retail services, electronic shopping retail services connected with the sale of clothing, headgear, footwear, jewellery, watches, cufflinks, tie pins and tie clips, studs, goods of leather and imitation leather, umbrellas, fashion accessories, non-medicated toilet preparations, eyewear; the bringing together for the benefit of others of a variety of clothing, headgear, footwear, jewellery, watches, cufflinks, tie pins and tie clips, studs, goods of leather and imitation leather, umbrellas, fashion accessories, non-medicated toilet preparations, eyewear; enabling customers to conveniently view and purchase such goods; the provision of information and advice in relation to retail services; provision of advice and assistance in the selection of goods.

Annex 4

The table is confidential and has been removed from the public copy of the judgment.