

How Logo Confusion Ruling Expands TM Protection

By **Martin Henshall and Calum Mackenzie** (August 29, 2025, 3:21 PM BST)

On June 24, the U.K. Supreme Court handed down judgment in the case of Iconix Luxembourg Holdings SARL v. Dream Pairs Europe Inc., providing important clarity on the question of whether postsale confusion is actionable in trademark infringement claims.

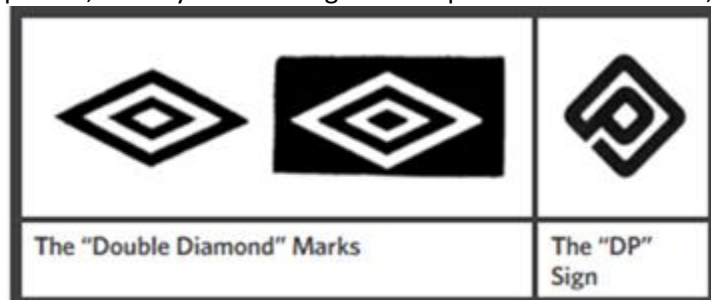
The case centered on a trademark infringement claim filed by Iconix based on its double diamond marks, used for the well-known Umbro sports brand. Umbro, founded in 1924, specializes in sportswear and equipment for football, rugby and other sports. The Umbro double diamond marks had been widely used on football boots in particular in the U.K. since 1987, and sales of goods bearing the Umbro double diamond marks had generated revenue of more than \$60 million in the U.K. in each of the years from 2016 to 2018.

Iconix alleged trademark infringement on the grounds of Section 10(2) and 10(3) of the U.K. Trade Marks Act 1994 against Dream Pairs' use of a stylized "DP" sign, which Dream Pairs had begun using on a range of footwear, including trainers and football boots sold in the U.K. commencing in late 2018.

At first instance, the High Court of Justice dismissed Iconix's claim on the basis that there was "at most a very low degree of similarity" between the marks and there was no likelihood of confusion between the two in the mind of the average consumer.

On appeal, the Court of Appeal of England and Wales overturned the decision, holding that errors in principle by the High Court judge justified conducting a fresh assessment of the similarity of the marks and likelihood of confusion.

The Court of Appeal held there was similarity between the marks in a postsale context. This assessment considered the perspective of the average consumer seeing the DP sign on the football boot of another person, namely from an angle and in particular from above, as when viewed at the point of sale.



Dream Pairs appealed to the Supreme Court, arguing that the Court of Appeal's approach involved two significant errors of law.

First, Dream Pairs argued that when a court assesses the degree of similarity between signs, extraneous circumstances, such as how the goods are subsequently perceived, should not be taken into account. Secondly, Dream Pairs argued that postsale confusion is not a self-standing basis for infringement of a trademark, as the essential purposes of trademark protection require the likelihood of confusion on the part of the public to be assessed at the point of sale or in a subsequent transactional context.

Supreme Court

The Supreme Court unanimously allowed the appeal. The key issues determined by the Supreme Court were as follows.

Postsale Confusion

The Supreme Court considered the circumstances of postsale confusion to be relevant. It concluded that in establishing whether the signs are similar — and if so, the degree of similarity — "realistic and representative" postsale circumstances can be taken into account.

Absence of Confusion at Point of Sale

Dream Pairs had sought to narrow the scope of postsale confusion, arguing that it was not relevant if the confusion did not result in damage at the point of sale or in a subsequent transactional context.

The Supreme Court held that there can be a likelihood of confusion in the postsale context even in the absence of likelihood of confusion at the point of sale. It agreed with the Court of Appeal that "it is possible in an appropriate case for use of a sign to give rise to a likelihood of confusion as a result of postsale confusion even if there is no likelihood of confusion at the point of sale."

Role of the Appellate Courts

However, the Supreme Court held that the Court of Appeal was not justified in substituting its view of the similarity and confusion assessments for that of the High Court judge.

The assessment of infringement under Section 10(2) of the Trade Marks Act is a multifactorial assessment. Given this requires the application of facts to the relevant law and an evaluative decision, the Supreme Court noted that it is quite possible for reasonable minds to reach differing conclusions. Unless the lower court has reached a decision that was wrong because of an identifiable flaw such as a gap of logic, inconsistency or a failure to take into account a material factor, the higher court should not substitute their own views for the multifactorial assessment.

In finding the Court of Appeal had incorrectly substituted its own evaluation in this case, the Supreme Court stated:

We would readily acknowledge that reasonable judicial views might differ on this issue about similarity when viewed from an angle, but our task is not to form our own view, unless both the judge and the Court of Appeal made what may loosely be called appealable errors.

Key Takeaways

The Supreme Court decision has clarified that postsale confusion, absent any confusion at the point of sale, is actionable as trademark infringement. This principle had been questioned previously, on the basis that postsale confusion does not result in a trademark owner suffering damage at the point of sale or in a subsequent transactional context.

This case provided the Supreme Court with an opportunity to diverge from decisions of the European Court of Justice on the point of postsale confusion. The ECJ held in *Arsenal Football Club PLC v. Reed* in 2002 and *Anheuser-Busch Inc. v Budějovický Budvar, národní podnik* in 2004 that a trademark may be infringed if some consumers, who come across the defendant's goods after they have left the point of sale, interpret the sign as designating the claimant as the undertaking of origin of the goods. However, in the *Iconix* decision the Supreme Court has confirmed that the U.K. will for now remain aligned with the EU on this issue.

The Supreme Court decision enhances protection for brand owners, confirming the scope of protection extends beyond the point of sale or a subsequent transaction. The decision may be particularly relevant in the context of the fashion sector and may bolster the ability of brand owners to take action against other copycat products, where an average consumer may not be confused at the time of their purchase of the relevant goods, and confusion may only arise on the part of an average consumer seeing the relevant goods on another person in a postsale context.

Consequently, it is important that businesses give postsale use due consideration when assessing the risks associated with the adoption of a new sign.

In bringing infringement proceedings, brand owners should consider all realistic and representative scenarios in which the relevant marks may be used, given the Supreme Court has clearly affirmed the function of a trademark is not limited to the point of sale. A consequence may be that more evidence of actual use will be included in future infringement claims.

Finally, the judgment reinforces the challenges in overcoming a multifactorial assessment undertaken by the first instance court. It serves as a reminder to parties that an appeal does not merely offer a second chance to rerun the same arguments.

As occurred in this decision, a higher court should not interfere if the lower court had applied a reasonable analysis and conclusion, even if the higher court believes it would have reached a different conclusion. This Supreme Court decision may create reticence from the Court of Appeal in overturning High Court decisions in future likelihood of confusion claims.

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