

O-150-14

**TRADE MARKS ACT 1994**

**APPLICATION No. 2550877 BY BGL GROUP LIMITED**

**TO REGISTER THE TRADE MARK**

**'COMPARE THE MARKET'**

**AND**

**OPPOSITION No. 103916**

**BY GOCOMPARE.COM LIMITED**

## Background and pleadings

1. BGL Group has registered the marks **COMPARETHEMARKET** and **CompareTheMarket.Com** for information services about various third party consumer products and services. In other words, as trade marks for the services of a price comparison website. The question in these opposition proceedings is whether it should be permitted to also register the words **COMPARE THE MARKET** as such for:

### Class 35

Provision of price information relating to the supply of consumer goods and services, including insurance, telecommunication services, utilities and financial products.

### Class 36

Provision of advice relating to the supply of insurance and insurance products; provision of financial advice relating to the supply of consumer goods and services, including insurance, telecommunications services, utilities and financial products.

2. The application to register the mark was filed on 21 June 2010, so that is the date at which the matters below must be assessed (“the relevant date”). The registrar initially objected to the application on the grounds that the trade mark was descriptive of, and non-distinctive for, the services at issue. However, the applicant filed evidence which persuaded the examiner that the mark had acquired a distinctive character as a result of the use made of it prior to the date of the application. The application was then published for opposition on 27 July 2012 and subsequently opposed on 8 October 2012.

3. The opponent – GoCompare.com Limited - is a major competitor of the applicant in the market for internet price comparison services. The opponent says that the opposed mark does not meet the requirements of s.3(1)(b)-(d) of the Act<sup>1</sup> because:

- It consists exclusively of an indication of a kind of service relating to price comparisons.
- It is an indication which has become customary in the current language or in the *bona fide* and established practices of the trade.
- It is therefore devoid of any distinctive character, and had not acquired a distinctive character through use by the date of the application.

4. In support of its pleading that the mark has become customary in the *bona fide* and established practices of the trade, the opponent cited five uses of COMPARE THE MARKET by itself and four other traders, all on the internet. These ‘hits’ were triggered by searches on the term ‘compare the market’. Four of the hits come from price comparison websites. Two of these use the words ‘compare the market’ in

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<sup>1</sup> The opponent applied to add a further ground of opposition under s.3(1)(a), but this was provisionally rejected on 14 June 2013 on the basis that it had no prospect of success, a decision confirmed on 10 July 2013.

apparently purely descriptive ways, e.g. the entry for Tescocompare uses the phrase ‘*Search and compare the market for travel insurance*’. The other two (including the opponent) use the words as part of the heading for the hit. In the opponent’s case “*Go and Compare the Market*”. Another of the applicant’s competitors, MoneySupermarket.com, uses Compare the Market | MoneySupermarket.com as a heading. The fifth example appears to be from a business offering ‘cashback’ when purchasing car insurance. I note that in this example Compare The Market is used (both in the heading for, and in the text of, the hit) with a capital letter for the first letter of each of the words, perhaps indicating referential trade mark use.

5. The opponent also relies on a decision of the Czech Arbitration Court, which refused to transfer the domain name comparethemarket.xxx to the applicant on the basis that it could relate to “...*myriad different types of markets and myriad different comparisons within each one, as demonstrated by a simple web search*”.

6. The applicant denies that the mark is excluded from registration by s.3(1)(b)-(d) of the Act and claims that, even if the mark is *prima facie* caught by the exclusions in those provisions, the mark had acquired a distinctive character by the date of the application and therefore qualifies for registration under the proviso to s.3(1) of the Act.

7. The applicant says that the decision of the Czech Arbitration Court related to a different matter in a different jurisdiction and is therefore irrelevant to this opposition.

8. Both sides seek an award of costs.

### **The hearing**

9. After the parties filed evidence in support of their positions, a hearing was held on 21 February 2014 at which the applicant was represented by Mr Roger Wyand Q.C., instructed by TLT LLP, and the opponent was represented by Mr Mark Vanhegan Q.C., instructed by Wynne-Jones, Laine & James LLP.

### **The evidence going to the *prima facie* case for registration**

10. The opponent’s evidence takes the form of three witness statements from Aaron Carpenter who is the Head of the opponent’s legal services department.

11. The applicant’s evidence is provided in a witness statement by Mark Vile, who is the applicant’s Marketing Director. Amongst the exhibits to Mr Vile’s statement are two earlier witness statements from himself and a third from Kal Samra, who was Managing Director of the applicant at the time it was filed. These earlier statements were originally filed during the examination phase of the application. Mr Vile explains

that the applicant owns BISL Limited, which runs the price comparison business conducted on the website comparethemarket.com.

12. In his first statement, Mr Carpenter provides<sup>2</sup> copies of pages from the applicant's website from around the relevant date. He points out that although this shows use of COMPARETHEMARKET.COM, both alone with a device consisting of two pound signs (one reversed), there is no use of COMPARETHEMARKET or COMPARE THE MARKET. He offers this as evidence that these marks (especially the latter) cannot function as trade marks without the addition of a distinctive device or the suffix .COM, which then immediately tells the consumer that the whole sign is a web address and a trading name. In his second statement, Mr Carpenter accepts that the applicant has trade mark rights in COMPARETHEMARKET and COMPARETHEMARKET.COM, but he distinguishes these marks from the words 'Compare the Market' as such. He says that registering these words as a trade mark would be unfair to his company and other competitors who use those words in a descriptive sense to invite customers to 'compare the market'.

13. Mr Carpenter also provides<sup>3</sup> a copy of the decision of the Czech Arbitration Court referred to in the pleadings.

14. Mr Vanhegan relied on the following third party uses of 'compare the market' shown in Mr Vile's evidence as support for the submission that the term was in descriptive and/or customary use in the relevant sector prior to the relevant date.

- (1) the use since at least 13<sup>th</sup> May 2007 through to 16 March 2009 by [www.endowments.uk.com](http://www.endowments.uk.com) of "*Compare the market in just minutes...*"<sup>4</sup>;
- (2) the use in October 2007 by [www.ukenergy.co.uk](http://www.ukenergy.co.uk) of "compare the market" in the body of the text "*Gas prices, Electricity prices, Home energy costs etc...Confused? Then compare the market*"<sup>5</sup>;
- (3) the use as from 29 Jan 2008 by [www.carinsurancequotes.com](http://www.carinsurancequotes.com) of "compare the market"<sup>6</sup> both as a heading "*Compare the Market*" and in the body of the text "*If you're looking to compare the market for car insurance you've come to the right place*"<sup>7</sup>;
- (4) the use since Dec 2008 by [www.mycarquotes.co.uk](http://www.mycarquotes.co.uk) of "*compare the market*"<sup>8</sup> ;
- (5) the use since at least 11 March 2010 by [www.birdycompare.com](http://www.birdycompare.com) of the heading "*compare the market*" and in the final sentence "*Compare the market with CatCompare.com*"<sup>9</sup>, (the latter as at 7<sup>th</sup> Feb 2011).

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<sup>2</sup> As exhibit AC2

<sup>3</sup> As exhibit AC4

<sup>4</sup> Vile para 25.4, exhibit MVopp5, pages 53 & 54

<sup>5</sup> Vile para 25.3, exhibit MVopp5, page 52

<sup>6</sup> Vile para 25.1

<sup>7</sup> Vile exhibit MVopp 5, page 42

<sup>8</sup> Vile para 25.2

<sup>9</sup> Vile para 25.5, exhibit MVopp5, pages 55 & 56

15. Mr Vanhegan submitted that *“each of the above examples shows that the third party is using the phrase in a descriptive manner and in a non-trade mark sense. There is no suggestion from the text that the trader or the consumer would consider that because of the grammar the phrase is being used in a manner which would be understood as a trade mark”*.

16. Mr Vanhegan relied on the following third party uses of ‘compare the market’ (again shown in Mr Vile’s evidence, this time in exhibit MVopp4) as further examples of descriptive and/or customary use of that term by third parties after the relevant date.

- (1) By [carinsurancequotes.uk.com](http://carinsurancequotes.uk.com)<sup>10</sup> as a heading *“compare the market”* and in the text *“if you’re looking to compare the market for car insurance you’ve come to the right place ...Click here now to see how quick and easy it is to go and compare the market with us and start saving with car insurance... Go compare the market with this unique compare the market webpage we have now gained access to car insurance prices from a mass of car insurance brokers and direct insurers across the uk etc... ”*;
- (2) By [mycarquotes.co.uk](http://mycarquotes.co.uk)<sup>11</sup> in the text *“Services like MyCarQuotes help customers compare the market but also allows dealers to sell cars to customers that they wouldn’t otherwise get...”*;
- (3) By [www.ukenergy.co.uk](http://www.ukenergy.co.uk)<sup>12</sup> in the body of the text *“Gas prices, Electricity prices, Home energy costs etc...Confused? Then compare the market”*;
- (4) By [www.endowments.uk.com](http://www.endowments.uk.com)<sup>13</sup> of *“Compare the market in just minutes...”*;
- (5) By [www.birdycompare.com](http://www.birdycompare.com)<sup>14</sup> as at 6th August 2010 of *“Compare the market for UK car insurance”*.

17. Mr Vile’s evidence is that although price comparison websites started in 2002, no one used ‘compare the market’ before the applicant started trading under [comparethemarket.com](http://comparethemarket.com) in January 2007. In support of this point he gives evidence derived from the Google Trends Index for 2005-2007 which shows that the public made no use of the search term ‘compare the market’ prior to the start of the applicant’s business in 2007. Mr Vile also provides copies of historical pages from his competitors’ websites<sup>15</sup> obtained from the Way Back Machine which show that although the applicant’s competitors (including the opponent) used terms including the words ‘compare’ and ‘comparison’, such as ‘compare new car prices’, ‘compare cheap car insurance’ and ‘compare as many insurance quotes as possible’, they did not use ‘compare the market’ prior to 2007.

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<sup>10</sup> Exhibit MVopp4, pages 33 & 34

<sup>11</sup> Exhibit MVopp4, pages 35 & 36

<sup>12</sup> Exhibit MVopp4, page 37

<sup>13</sup> Exhibit MVopp4, page 38

<sup>14</sup> Exhibit MVopp4, page 40

<sup>15</sup> Exhibit MVopp2.

18. Mr Vile further provides copies of historical pages from competitors' websites dated from between the launch of the applicant's website in 2007 and the relevant date in 2010. Mr Vile points out that these generally show the word 'compare' being used in relation to specific plural objects, such as compare 'prices', 'home insurance', 'deals' etc. He acknowledges that there is one use which does not quite follow this pattern, i.e. 'compare broadband'.

19. According to Mr Vile, a number of the third party uses of 'compare the market' shown in evidence are contrived uses of those words intended to boost the natural search rankings of the users' websites. He points out that carinsurancequotes.uk.com is a minor player in the price comparison business and has contrived wording in its own website which includes the brands of two of the four major players in this market and sometimes even merges them, i.e. "Go *compare the market*" (the opponent is one of the other major players in the price comparison market and trades under GoCompare). Mr Vile says that the use identified on the website ukenergy.co.uk should be discounted for similar reasons. He points out that it is also a minor competitor and includes the brands of two of the four major players in the price comparisons market, ('Confused' and 'Compare the Market'), in a contrived way in order to enhance its rankings in internet search results.<sup>16</sup>

20. Mr Vile considers certain other uses of 'compare the market' shown in the evidence are "inappropriate". In this connection, he points out that the web pages from mycarquotes.co.uk generally use 'compare' in a grammatically correct way, in relation to a plurality of objects, such as 'compare dealer discounts', but include one instance of use of 'compare the market' which is at odds with the other grammatically correct uses of 'compare'. Similarly, he notes that although the pages in evidence from the website of endowments.co.uk show use of 'Compare the market [in just minutes]' in the headline for the page, in the following text it uses '[we will] search the market', which Mr Vile considers to be correct use of a verb ('search') which will take a singular object, i.e. 'market'.

### **The law on registration *prima facie***

21. Section 3(1) of the Act is as follows.

- "3. - (1) The following shall not be registered –
- (a) signs which do not satisfy the requirements of section 1(1),
  - (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,

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<sup>16</sup> See the text quoted at paragraph 16(3) above.

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

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.”

22. I did not detect any major differences between counsel as to the law on *prima facie* registrability. Further, there was no suggestion that the opponent’s case under s.3(1)(b) could succeed independently of its case under s.3(1)(c) or s. 3(1)(d).<sup>17</sup> Consequently, it is only necessary to focus on the case law under those last two provisions. Mr Wyand drew my attention to the following summary of the law under Article 7(1)(c) of the CTM Regulation from the judgment of the Court of Justice of the European Union (“CJEU”) in *Agencja Wydawnicza Technopol sp. z o.o. v OHIM*:<sup>18</sup>

"33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40, p. 1), see, by analogy, Case C-265/00 Campina Melkunie [2004] ECR I-1699, paragraph 19; as regards Article 7 of Regulation No 40/94, see Case C-191/01 P OHIM v Wrigley [2003] ECR I-12447, paragraph 30, and the order in Case C-150/02 P Streamserve v OHIM [2004] ECR I-1461, paragraph 24).

36. ... due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, Joined Cases C-456/01 P and C-457/01 P Henkel v OHIM [2004] ECR I-5089, paragraph 45, and Case C-48/09 P Lego Juris v OHIM [2010] ECR I-0000, paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, OHIM v Wrigley, paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94, it is not necessary that the sign

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<sup>17</sup> The same would have been true even if the addition of a further ground under s.3(1)(a) had been permitted.

<sup>18</sup> Case C-51/10P

in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (OHIM v Wrigley, paragraph 32; Campina Melkunie, paragraph 38; and the order of 5 February 2010 in Case C-80/09 P Mergel and Others v OHIM, paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 Windsurfing Chiemsee [1999] ECR I-2779, paragraph 35, and Case C-363/99 Koninklijke KPN Nederland [2004] ECR I-1619, paragraph 58). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (Koninklijke KPN Nederland, paragraph 57).

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49. The situations specifically covered by Article 7(1)(c) of Regulation No 40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94, the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, Windsurfing Chiemsee, paragraph 31, and Koninklijke KPN Nederland, paragraph 56)."

23. Mr Vanhegan added a further point: it is not necessary for the sign to be exclusively descriptive; it is sufficient if one of the meanings of the sign is capable of designating any characteristic of the services, (in the sense that there is a



reasonable likelihood that the sign will serve a descriptive purpose in the ordinary course of trade).<sup>19</sup>

24. With regard to s.3(1)(d), on the basis of the CJEU's judgment in *Merz v Krell*,<sup>20</sup> Mr Vanhegan submitted that:

- (1) the relevant trade is that concerned with the services the subject of the application;
- (2) the use may be by consumers in the course of trade just as much as it may be by traders;
- (3) the use does not need to be for the purpose of designating characteristics of the services.

25. I do not think that any of this, or the applicability of judgements of the CJEU made under the CTM Regulation to analogous law made under the EU Trade Marks Directive, is controversial. I therefore accept the parties' submissions as to the relevant law.

### **Application of the law to the facts**

26. Turning first to the s.3(1)(d) ground, I find that there is no established use of the phrase 'compare the market' on websites, or anywhere else, prior to the applicant first using comparethemarket.com in 2007 as the name of its price comparison website.

27. I further find that of the five third party users of 'compare the market' between January 2007 and the relevant date in 2010 particularly relied on in particular by Mr Vanhegan at the hearing, at least two of those users – carinsurancequotes.uk.com and ukenergy.co.uk – used the term on their websites in ways that appears to have been contrived so as to catch the attention of consumers searching for the applicant's trade mark. In my view, these uses were not customary uses of those words 'in the current language or in the *bona fide* and established practices of the trade'. It has been held that third party uses of signs as brand names does not engage s.3(1)(d).<sup>21</sup> I do not see why it should be any different where the sign in question is used by a trader as a reference to the trade mark of another party. Although one of the specific uses in question was after the relevant date I consider that it colours the same party's use of 'compare the market' prior to the relevant date, bearing in mind that such use only started after the launch of the applicant's business.

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<sup>19</sup> Case C-191/01 P OHIM v Wm Wrigley Jr Co at paragraph 32

<sup>20</sup> Case C-517/99

<sup>21</sup> See *Nude Brands Ltd v Stella McCartney Ltd* [2009] EWHC 2154 Ch (HC)

28. In any event, even if all the uses shown were *bona fide* uses of ‘compare the market’, the limited extent of such use by five third parties over just a couple of years is insufficient, in my view, to establish that the term had become customary in the current language or in the established practices of the trade at the relevant date. The s.3(1)(d) ground therefore fails.

29. This brings me to the s.3(1)(c) ground, which is the opponent’s principal ground for opposing the registration of the mark. On behalf of the applicant, Mr Wyand submitted that the mark does not designate any characteristic of any of the services at issue because:

- i) it does not say what is being compared with what and so will not be “easily recognised” by consumers as a description of the services;
- ii) the words ‘compare the market’ are syntactically incorrect because the object of a comparison is normally a specific (usually plural) thing, such as ‘prices’.

30. For his part, Mr Vanhegan submitted that:

- i) the fine grammatical point covered by Mr Wyand’s second submission (above) would not be appreciated by an average consumer;
- ii) at least some of the uses of ‘compare the market’ shown in evidence appeared to be perfectly natural uses of those words by traders in order to describe their services, for example the use on the web site of [endowments.uk.com](http://endowments.uk.com) of ‘*compare the market in just minutes*’;
- iii) nothing suggests that consumers would have taken such use as trade mark use rather than descriptive use.

31. I accept Mr Vanhegan’s submissions. An average consumer paying a normal degree of attention would not balk at the use of ‘compare the market’, in an appropriate context, as a description of the intended purpose of the services offered by a price comparison website. The descriptiveness of the mark must be assessed in relation to the services for which registration is sought. That would include, for example, services for comparing car insurance. The mere fact that the consumer would have to know which category of goods or services was being compared in order to understand which ‘market’ is being analysed does not mean that those words cannot be descriptive. ‘Compare the market for car insurance’ is plainly descriptive. When used in relation to a comparison site for (say) car insurance, ‘compare the market’ is also descriptive. The same applies when the sign is used in relation to a general comparison website and the user has already chosen to compare offerings within a particular market. The same lack of a specific subject

would apply to many descriptive terms, for example ‘compare prices’, which is obviously just a description.

32. I do not consider that the absence of any evidence of use prior to the applicant’s first use of ‘compare the market’ undermines my conclusion that the term is capable of being used as descriptive. The applicant appears to have been the first to use the term. Once it was heavily promoted and struck some consumers and traders as descriptive, it is not surprising that it provoked some purely descriptive uses by third parties.

33. I therefore find that the mark is *prima facie* excluded from registration by s.3(1)(c).

### **Acquired distinctiveness – the law**

34. The CJEU provided guidance in *Windsurfing Chiemsee*<sup>22</sup> about the correct approach with regard to the assessment of the acquisition of distinctive character through use. The guidance is as follows:

“47. It follows that a geographical name may be registered as a trade mark if, following the use which has been made of it, it has come to identify the product in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product from goods of other undertakings. Where that is the case, the geographical designation has gained a new significance and its connotation, no longer purely descriptive, justifies its registration as a trade mark.

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49. In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings.

50. In that connection, regard must be had in particular to the specific nature of the geographical name in question. Indeed, where a geographical name is very well known, it can acquire distinctive character under Article 3(3) of the Directive only if there has been long-standing and intensive use of the mark by the undertaking applying for registration. *A fortiori*, where a name is already familiar as an indication of geographical origin in relation to a certain category of goods, an undertaking applying for registration of the name in respect of goods in that category must show that the use of the mark both long-standing and intensive is particularly well established.

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<sup>22</sup> Joined cases C-108 & C-109/97

51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages.

53. As regards the method to be used to assess the distinctive character of a mark in respect of which registration is applied for, Community law does not preclude the competent authority, where it has particular difficulty in that connection, from having recourse, under the conditions laid down by its own national law, to an opinion poll as guidance for its judgment (see, to that effect, Case C-210/96 *Gut Springenheide and Tusky* [1998] ECR I-4657, paragraph 37).”

35. In this case it is (almost) common ground that the opposed mark had not been used in the form applied for prior to the relevant date.<sup>23</sup> The mark that was used was **comparethemarket.com** (“the .com mark”), often in combination with a device mark consisting of two pound signs (one reversed).

36. It is common ground that, as a matter of law, a mark can acquire a distinctive character as a result of its use with, or as part of, another mark.<sup>24</sup> As the CJEU put it recently in *Specsavers v Asda*.<sup>25</sup>

“That distinctive character of a registered trade mark may be the result both of the use, as part of a registered trade mark, of a component thereof and of the use of a separate mark in conjunction with a registered trade mark. In both cases, it is sufficient that, in consequence of such use, the relevant class of persons actually perceive the product or service at issue as originating from a given undertaking (see, by analogy, Case C-353/03 *Nestlé* [2005] ECR I-6135, paragraph 30).”

37. Mr Vanhegan drew my attention to a well known passage from the *British Sugar* case<sup>26</sup> in which Jacob J. (as he then was) suggested that 60% recognition of a sign

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<sup>23</sup> It may have been used on the top ‘banner’ of the applicant’s web pages, but the use is so difficult to spot that it would not have made any independent impression on consumers.

<sup>24</sup> *Nestlé v Mars* CJEU, Case C-353/03.

<sup>25</sup> Case C-252/12, at paragraph 23.

as a mark may not be enough and as much as 90% recognition may be necessary. However, that case was decided before *Windurfing Chiemsee*, which made it clear that “*the circumstances in which [the] requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages*”. Further, the reference in paragraph 47 of *Windurfing Chiemsee* to the mark acquiring a distinctive character such that it is “*no longer purely descriptive*” indicates that it is not necessary for the acquired secondary (distinctive) meaning to wholly or substantially displace the original descriptive meaning. So the fact there has been some purely descriptive use of the term does not mean that it cannot have become distinctive as a trade mark of the applicant. Use which merely triggers association (in the sense of suggesting that the most likely user of the sign is undertaking X) is not enough because it is not consistent with the essential function of a trade mark, which is to guarantee the trade origin of goods and services. On the other hand, it is not necessary for the mark to guarantee trade origin to every relevant consumer: it is sufficient that the mark is distinctive (in the sense that it guarantees the trade origin of the goods/services) to a significant proportion of relevant consumers. The corollary of such a finding is that a significant proportion of relevant consumers are likely to be confused by unfettered third party use of the sign, at which point the law favours registration.

### **Acquired distinctiveness – the facts**

38. The relevant evidence includes the following:

- Mr Vile gives evidence that the .com mark was first used in January 2007, three and half years before the relevant date.
- £10.7m was spent promoting the mark in 2007, rising to £24.5m in 2008, £23.1m in 2009 and £32.1m in 2010 (although half of this was after the relevant date).
- This promotion included extensive advertising on national TV, in the national press, outdoor advertisements as well as internet advertising.
- Turnover in 2007 was £6.6m, rising to £13.5m in 2008, £41.7m in 2009 and £65.7m in 2010 (again half of this is after the relevant date).
- According to Mr Vile, the applicant had around 23% of the price comparison market in June 2010. Only the opponent, with over 30%, had a higher share of the market at that time.

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<sup>26</sup> [1996] RPC 281

- In January 2009 the applicant adopted a new marketing approach involving some fictional meerkat characters and a website called comparethameerkat.com, which supposedly allowed users to compare meerkats. Thereafter promotion of the applicant's price comparison website usually played on mock confusion between that site and the similar sounding meerkat website. Mr Vile says that this was a huge marketing success and substantially increased awareness of the applicant's name and website (borne out by the markedly increased turnover figures for 2009). By 2011, one of the fictional meerkat characters, Aleksandr, had 750k 'friends' on Facebook.
- The applicant pays for an advertisement to be output on the internet when someone searches on 'compare the market'. Mr Vile points out that the number of such searches increased substantially at the beginning of 2009 when the meerkat advertising began, and again at the end of 2009 when it was stepped up. By 2010, between 12k and 32k paid advertisements were being triggered every day by users searching on 'compare the market'. Mr Vile provides a table showing how the varying number of triggered advertisements correlated with the dates of the applicant's TV advertisements.
- Mr Vile also provides data from Goggle Trends showing that between January 2006 and May 2010 for every 2 users who searched for comparethemarket, 3 others searched for comparethemarket.com, but 32 others searched for 'compare the market'. Mr Vile provides a graph showing that 'compare the market' (with spaces) was used much more, relative to those words without spaces and/or followed by .com, after the applicant's high profile TV advertising campaign began in December 2008. Therefore by 2010, most consumers searching on the words 'compare the market' did so with spaces and without a .com suffix. According to this data, 'compare the market' (with or without spaces) was not used as a search term on Goggle during 2006 (prior to the start of the applicant's business in 2007).
- The data also shows that of those consumers conducting searches for 'compare the market', 75% 'clicked through' from the search results page to the applicant's website. Of the other 25%, 10% did not go to any websites from the hits page. 15% went to other sites. Mr Vile also provides data showing that these search results are similar to those conducted on the applicant's competitors' websites, including that of the opponent's Go Compare mark.
- By way of comparison, Mr Vile provides data showing that no more than 40% of those searching on generic terms, such as 'car insurance' or 'cheap car

insurance' go though to any comparison site, and when they do they divide fairly evenly between the sites of the main players in this business.

- Of the emails received by the applicant between June 2008 and 30 June 2010, which were addressed to the business (as opposed to 'Dear Sir' etc.), Mr Vile says that 57 were addressed to Comparethemarket.com, 13 were addressed to comparethemarket, 17 were addressed to Comparethameerkat.com or other meerkat related titles, and 103 (over 50%) were addressed to Compare the Market.
- Mr Vile's first witness statement included examples of third parties using Compare the Market on websites and press articles as the trade mark of the applicant.<sup>27</sup> The latter includes uses by the Daily Mail, Daily Star and London Evening Standard, all around the date of the application.
- Mr Vile's second witness statement includes copies of advertisements<sup>28</sup> in the Daily Mail from July/August 2009 (prior to the relevant date) promoting the paper's own Mailcompare comparison website. This advertisement includes comparisons between the prices (for new cars) obtained from Mailcompare and various competitor websites. I note that the applicant's business is listed as 'Compare the Market' (i.e. without spaces or .com). By comparison another competitor is listed as 'Moneysupermarket'.
- There is also evidence<sup>29</sup> that on 15 January 2010 (also prior to the relevant date) another of the applicant's major competitors – Moneysupermarket.com – had a 'landing page' on its website which opened when someone who had searched on 'compare the market' subsequently clicked on that company's paid-for advertisement (probably indicating that Moneysupermarket.com was using 'compare the market' as an adword for the purposes of search engine results). The 'landing page' was headed 'Compare the Market'. The following text began "*You searched for comparethemarket.com but made a great choice to visit moneysupermarket.com instead*". Mr Vile points out that this means that another competitor expected people searching on 'compare the market' to be looking for the applicant.
- Mr Vile also provides articles published by the BBC New online, The Guardian, The Independent, The Scotsman and others in 2009/early 2010 in which the applicant is referred to [only] as Compare the Market.<sup>30</sup>

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<sup>27</sup> As exhibits MV4 and MV5 within exhibit MVopp7

<sup>28</sup> See exhibit MV3 within exhibit MVopp8.

<sup>29</sup> Exhibit MVopp13

<sup>30</sup> Exhibit MV3 within MVopp8

- Exhibits MVopp9-MVopp11 to Mr Vile’s second statement consist of copies of screen shots from YouTube, copies of pages from various on-line blogs and a document from Twitter, all showing consumers and businesses using ‘compare the market’ as a reference to the applicant’s business (sometimes also showing use of comparethemarket.com).

39. Rule 62(1)(a) entitles the registrar to require particular evidence. At the hearing, I asked for additional evidence showing the nature of the applicant’s TV advertising. Both sides accepted that this was an appropriate request. The applicant subsequently provided a DVD containing copies of its TV advertisements prior to the relevant date. The applicant accepts that they only show visual and verbal use of comparethemarket.com, although the conjoining of the words ‘compare the market’ is obviously lost when the words are spoken.

### **Assessment**

40. I regard the decision of the Czech arbitration court as irrelevant. It concerned a different matter in a different territory where the applicant does not trade and has no reputation under either the mark applied for or under the ‘.com’ version of the mark.

41. Mr Vanhegan criticised the applicant’s evidence because it does not include survey evidence from the public or evidence from traders in the relevant field (or from trade associations).

42. As to survey evidence, it is clear from paragraph 53 of the judgment of the CJEU in *Windsurfing* that “*where it has particular difficulty*” a competent authority may have regard to evidence from an “*opinion poll*”, but it is not necessary to file such evidence in order to establish acquired distinctiveness. Indeed, survey evidence is notorious for often raising more questions than it answers and, for this reason, it may only be used in proceedings after first obtaining leave to do so.<sup>31</sup>

43. As regards evidence from those in the trade (including trade associations), although such evidence may assist in establishing distinctiveness amongst those in the trade, it can only go so far to establish distinctiveness amongst end consumers of goods/services, particularly when, as is the case in the present case, the end consumer of the services is the general public. This is because, as the CJEU stated in *Björnekulla Fruktindustrier AB v Procordia Food AB*<sup>32</sup>:

“24. In general, the perception of consumers or end users will play a decisive role. The whole aim of the commercialisation process is the purchase of the product by those persons and the role of the intermediary consists as much in

<sup>31</sup> Tribunal Practice Notice 2/2012 following the judgment of the Court of Appeal in *esure Insurance Limited v Direct Line Insurance Plc* [2008] EWCA 842 (Civ).

<sup>32</sup> Case C-371/02, [2004] R.P.C. 45 (CJEU)



detecting and anticipating the demand for that product as in increasing or directing it.”

44. I do not therefore regard the absence of trade evidence as fatally damaging the applicant’s case of acquired distinctiveness. In any event, the applicant’s evidence does include a number of contemporaneous documents which indicate how some of its competitors perceived the mark COMPARE THE MARKET at the relevant date.

45. Mr Vanhegan sought to distinguish the mark applied for from the marks the applicant has already registered, namely COMPARETHEMARKET and CompareTheMarket.Com, which the opponent appears to accept as valid. He submitted that, unlike the opposed mark, these marks “*are perceptibly not merely descriptive words used in a standard and common manner or phrase*”. Rather, these marks were said to have been adapted so as to “*strongly suggest the identity of a business*”. In particular, the ‘.com’ mark was said to be a reference to a website or domain address and therefore unlikely to be understood by consumers as a mere phrase of the English language.

46. I find it difficult to accept that simply conjoining words can make any material difference where the result is no more than just three distinguishable words simply run together. The General Court has rejected that argument on numerous occasions when assessing the distinctive character of such marks.<sup>33</sup>

47. In *Getty Images (US) Inc. v OHIM*<sup>34</sup> the General Court also rejected the proposition that adding a top level domain name to a descriptive term (in the case at issue, PHOTOS) gave the composite mark a distinctive character. The court stated:

“22 As regards the element ‘.com’, it is important to note that this will immediately be recognised by the relevant public as referring to an internet site. In that respect, it should be pointed out that – as the Board of Appeal noted in its assessment – it is a technical and generic element, the use of which is required in the normal structure of the address of a commercial internet site. Furthermore, the element ‘.com’ may also indicate that the goods and services covered by the trade mark application can be obtained or viewed on-line, or are internet-related. Accordingly, the element in question must also be considered to be devoid of distinctive character in respect of the goods or services concerned.

..

25 The parties agree on the fact that the word mark PHOTOS.COM, considered as a whole, reproduces the characteristic structure of a second-level domain name (‘photos’) and a TLD (‘com’), separated by a dot. As the Board of Appeal pointed out, that mark has no additional features – in

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<sup>33</sup> See, for example, the judgment of the General Court in *Highprotect*, Case T-184/07

<sup>34</sup> Case T-338/11

particular, graphic features – because the dot is typically used to separate the second level domain from the TLD.

26 Furthermore, the addition of the element ‘.com’ to the word ‘photos’, which is descriptive and devoid of distinctive character, does not render the sign distinctive as a whole. As the Board of Appeal pointed out, the distinctive part of a domain name is not the TLD, which is generic, but the second-level domain – which, in the present case, is devoid of distinctive character.

27 Additionally, it is important to note that, even if the registration of a sign as a Community mark is not conditional upon a finding of a certain level of linguistic or artistic creativity or imaginativeness on the part of the proprietor of the trade mark, the fact remains that – as the Board of Appeal found – there is no additional element to support the conclusion that the combination created by the commonplace and customary components ‘photos’ and ‘.com’ is unusual, fanciful or might have its own meaning, especially in the perception that the relevant public might have of the goods and services concerned (see, to that effect, *suchen.de* , paragraph 32).

28 Accordingly, in the absence of special characteristics peculiar to the sign at issue, the relevant public’s perception of that sign will be no different from its perception of the combination of the two words comprising the sign. It follows that, as the Board of Appeal rightly pointed out, the relevant public will not be able to distinguish the goods and services covered by the trade mark application from goods and services of a different commercial origin. Consequently, the sign is devoid of distinctive character.”

48. I do not therefore accept that the relevant public are likely to make a natural and sharp distinction between the meaning and significance of the signs COMPARE THE MARKET and **COMPARETHEMARKET.COM**. Nevertheless, where the mark as a whole is inherently non-distinctive and the issue is what has become distinctive, I accept that the correct answer could be ‘only the used mark as a whole, including the .COM element’. The answer in this case turns on whether the relevant class of persons would have perceived the services at issue as originating from a given undertaking if they had been marketed under the sign COMPARE THE MARKET alone.

49. In making this assessment I take into account that although the composite mark had only been in use for 3.5 years prior to the relevant date, the very substantial promotion of that mark, including TV advertising, had made it the second most popular mark in the price comparison market with 23% of the market.

50. I also take into account that although the price comparison market is a relatively new market, it had been operating since at least 2002, and yet despite that there is no evidence of the public or anyone else using ‘compare the market’ prior to the applicant’s use of Comparethemarket.com. Therefore, although I have found that the words ‘compare the market’ are capable of being used descriptively, they are not as

inherently non-distinctive as well established descriptive phrases, such as ‘compare prices’. This would have made it relatively easier for **COMPARETHEMARKET[.COM]** to acquire a distinctive character through use.<sup>35</sup>

51. I find that **COMPARETHEMARKET.COM** was highly distinctive of the applicant’s services at the relevant date. And given the generic nature of the top level domain .COM, it is entirely plausible that COMPARE THE MARKET may also have become distinctive of the applicant’s services. There is anecdotal evidence that it had become distinctive. I noted above that there are references in the evidence to the applicant’s business having been identified around the relevant date [only] as Compare the Market in articles in well known publications such as BBC News online, The Guardian, The Independent, The Scotsman, The Daily Mail, the Daily Star and the Evening Standard. There is also evidence<sup>36</sup> that in August 2010 (2 months after the relevant date), a radio broadcaster called Steve Allen on London based LBC radio said this to his listeners:

“Aside from the marvellous catalogue of jokes this morning I was also giving out (yes MORE) advice. I had to get my car insurance renewed and my old insurer.... gave me an outrageous quote compared to last year. So I fired up the computer, visited Compare the Market (apparently it’s not just good for looking at cute meercats) and got myself a massive saving!

52. Mr Allen appears to have expected his listeners to know which undertaking he meant by the use of the words Compare the Market.

53. Press comments can, of course, be chosen selectively so as to give the desired impression. I therefore find it significant that there is also evidence that over half of the emails addressed to the applicant in the two year period prior to the relevant date, and which were addressed to the business, were addressed to ‘Compare the Market’, nearly twice as many as were addressed to comparethemarket.com.

54. I also find it significant that a competitor - Mailcompare - listed the applicant only as Compare the Market in comparative advertisements published before the relevant date, and another major competitor – Moneysupermarket – operated a ‘landing page’ for customers who had searched on Compare the Market, but then clicked on their advertisement instead of the comparethemarket.com site. The content of this page clearly shows that Moneysupermarket expected those customers who searched on Compare the Market to be searching for the applicant.

55. This brings me to Mr Vile’s evidence from Google Trends showing that ‘compare the market’ was a far more popular search term during the period leading up to the relevant date than comparethemarket.com or comparethemarket. Of course, this

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<sup>35</sup> See, by analogy, paragraph 50 of the judgment in *Windsurfing Chiemsee* at paragraph 34 above.

<sup>36</sup> MV5, page 268 within MVopp7

could just be evidence that most users were using the words as such as a generic search term. However, given that there was no evidence of any such generic use prior to the start of the applicant's business, despite the fact that the internet price comparison market had been established for at least 5 years by then, this seems unlikely. The marked difference in user behaviour following searches on generic terms, such as 'compare car prices', also points away from the conclusion that people searching on 'compare the market' were using those words generically.

56. Further, although I have found that the words 'compare the market' are capable of being used as a description of the intended purpose of price comparison services in a suitable context, there is no such context when users are searching on their computers for price comparisons. It is therefore inherently more likely that those searching using generic words would use terms such as 'compare the energy market' or 'compare the car market' rather than just 'compare the market', although I accept that those words could be used as part of generic terms such as 'compare the market for energy'.

57. Mr Vile's evidence indicates that the percentage of searchers who click-through to the applicant's website after searching on 'compare the market' is similar to the click-through rate for the opponent's mark, and that of another major competitor, 'confused.com'. There was much discussion about this evidence at the hearing. Mr Vanhegan submitted that:

- i) Measured at the relevant date, the actual click-through rate was around 70%, rather less than the 80% rate for the opponent's 'go compare' mark.
- ii) The evidence therefore shows that at least 30% of users (the ones who did not click-through) regarded 'compare the market' as merely a descriptive term.

58. I consider this to be an overly critical analysis of the evidence. Firstly, it is true that the click-through rate in June 2010 was around 70%, but the evidence shows some variability in the rate. The monthly rate between 2009 and 2011 varies between 70 and 80%. I therefore regard Mr Vile's estimate of 75% as reasonable, even though it is based on an average over a longer period of time rather than the precise position at the relevant date. This is broadly similar to the click-through rate for the opponent's mark and that of another competitor, Confused [.com].

59. Secondly, I do not accept that those who didn't click-through to the applicant's site must have been using 'compare the market' as a descriptive term. The evidence indicates that 10% of users do not click through to any web pages, and this is a normal result. That being the case, I don't consider that it is possible to determine what significance those users attached to the search term 'compare the market'.

Some of the other (approximately 15% of) users who clicked-through to other websites may have been using 'compare the market' as a descriptive term. However, the evidence shows that a number of businesses are using 'compare the market' on their web pages in order to attract the attention of those searching for the applicant's website. So it is not correct to say that 15% of users were necessarily using the words as a descriptive search term. It is not possible to break down the percentage of those searchers who were doing so from those who were not. What is clear is that this is a fiercely competitive market and considerable effort is put into attracting searchers looking for competitors' sites.

60. Indeed there is evidence<sup>37</sup> that by 2012 the opponent was advertising on the internet under the heading 'Go Compare The Market' in response to searches on 'compare the market'. The opponent argues that its mark (in contrast to the applicant's mark) is inherently distinctive because it consists of a syntactically incorrect use of the words 'go compare' (the correct usage is said to be 'go and compare'). I do not need to assess the relative distinctiveness of these marks, but if the opponent's submission about its own mark is correct, it suggests that its use of 'Go Compare The Market' in early 2012 was not just natural descriptive use of 'Compare The Market', but use of its own mark coalesced with the applicant's mark in order to catch the attention of those searching for the applicant. There nothing necessarily wrong about this. If the applicant's mark is registered, such use would still be permissible provided that it permits the public, without difficulty, to distinguish between the trade mark for the site they are looking for and the use of that mark on opponent's web pages offering alternatives to the trade mark owners' services.<sup>38</sup> However, what this use, and other similar uses shown in the evidence show, is that it would be unsafe to assume that those searching on 'compare the market' and then visiting the websites of other undertakings were not looking for the applicant's site to begin with.

61. In my judgment, the evidence as a whole establishes that, by the relevant date, the trade mark applied for identified the trade origin of the services at issue to the relevant class of person, or at least to a significant and sizeable proportion of them. I therefore find that the mark had acquired a distinctive character and qualifies for registration under the proviso to s.3(1).

## **Outcome**

62. The opposition therefore fails.

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<sup>37</sup> See exhibit AC3

<sup>38</sup> See, by analogy, Marks and Spencer v Interflora, Case C-323/09, paragraphs 44-66 and 91.

## **Costs**

63. The opposition having failed the applicant is entitled to a contribution towards its costs. I order GoCompare.com Limited to pay BGL Group Limited the sum of £3100 made up as follows:

- £400 for considering the notice of opposition and filing a counterstatement.
- £200 for dealing with the opponent's application to add additional grounds.
- £1500 for considering the opponent's evidence and filing evidence in support of the application.
- £1000 for preparing for and attending the hearing.

64. Subject to appeal, the above sum to be paid within 14 days of the end of the period allowed for appeal.

**Dated this 7th Day of April 2014**

**Allan James  
For the Registrar**