

O-413-15

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2655091
BY GAP 360 LIMITED
TO REGISTER THE TRADE MARK
GAP 360
IN CLASS 35, 36, 39 & 41
AND**

**IN THE MATTER OF OPPOSITION
THERE TO UNDER No. 400900 BY
GAP (ITM) INC.**

BACKGROUND

1) On 5 March 2013, Gap 360 Ltd (hereinafter the applicant) applied to register the trade mark GAP 360 in respect services in classes 35, 36, 39 & 41. On 12 January 2015 the applicant requested these be amended to the following specifications:

In Class 35: Advertising services relating to the travel industries; recruitment and placement services; information relating to jobs and career opportunities; administration of temporary employment programmes; organising and conducting volunteer programmes and community service projects; information, consultancy and advisory services for all the aforesaid services.

In Class 36: Travel Insurance; financial services relating to travel; insurance services relating to travel; issuing of vouchers ; information, consultancy and advisory services for all the aforesaid services; relating to gap travel.

In Class 39: Transport; Packaging and storage of goods; Travel arrangement; travel advice; travel agency and booking services; arranging for travel visas, passports and travel documents for persons travelling abroad; safety training courses; tours; bus tours; travel guides; travel escorts; coordinating travel arrangements for individuals and groups; package holiday services; information relating to travel; holiday reservation services; transportation of luggage; travel clubs; information, consultancy and advisory services for all the aforesaid services.

In Class 41: Education; Providing of training; Entertainment; Sporting and cultural activities; technical training relating to safety; job training services; recreation; arranging of group recreational activities; arranging for students to participate in recreational activities; information services relating to recreation; education and training relating to travel; publications relating to travel; travel guides; teaching; information, consultancy and advisory services for all the aforesaid services; all relating to gap travel.

2) The application was examined and accepted, and subsequently published for opposition purposes on 21 June 2013 in Trade Marks Journal No.2013/025.

3) On 20 September 2013 Gap (ITM) Inc. (hereinafter the opponent) filed a notice of opposition. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade marks:

Mark	Number	Date of application / registration	Class	Specification relied upon
gap	CTM 9689118	27.01.11 13.08.11	35	Advertising; business management; business administration; office functions.
GAP	CTM 9184251	17.06.10 30.11.10	36	Credit card services, gift check and purchasing coupon services, charitable fund raising services; Insurance; financial affairs; monetary affairs; real estate affairs; financial consultancy and advisory services.
			41	Education; providing of training;

				entertainment; sporting and cultural activities; all the aforementioned services relating to fashion; arranging, organizing, conducting and hosting social entertainment events; entertainment services, namely, providing information by means of a global computer network in the fields of celebrities, entertainment, and popular culture; organization of fashion shows for entertainment purposes; organizing and arranging exhibitions for entertainment purposes.
GAP	CTM 11331345	08.11.12 15.04.13	39	Transport; Packaging and storage of goods; Travel arrangement; Ambulance transport; Bus transport; River transport; Bottling services; Shipbrokerage; Freighting; Chauffeur services; Ice-breaking; Car parking; Delivery of goods; Distribution of energy; Electricity distribution; Franking of mail; Storage (Physical -) of electronically-stored data or documents; Vehicle breakdown assistance [towing]; Storage information; Transportation information; Wrapping of goods; Courier services [messages or merchandise]; Newspaper delivery; Porterage; Launching of satellites for others; Delivery of goods by mail order; Flower delivery; Transportation logistics; Piloting; Unloading cargo; Brokerage (Freight -); Transporting furniture; Underwater salvage; Storage; Boat storage; Storage of goods; Arranging of cruises; Arranging of tours; Parcel delivery; Passenger transport; Booking of seats for travel; Pleasure boat transport; Message delivery; Salvage of ships; Salvaging; Rescue operations [transport]; Travel reservation; Escorting of travellers; Transport of travellers; Towing; Operating canal locks; Stevedoring; Taxi transport; Sightseeing [tourism]; Tram transport; Transport; Car transport; Transport brokerage; Transport reservation; Ferry-boat transport; Removal services; Car rental; Boat rental; Rental of diving bells; Rental of diving suits; Garage rental; Rental of vehicle roof racks; Refrigerator rental; Aircraft rental; Rental of storage containers; Rental of warehouses; Horse rental; Parking place rental; Rental of

				<p>motor racing cars; Rental of wheelchairs; Coach (Motor -) rental; Coach (Railway -) rental; Vehicle rental; Rental of freezers; Truck (Railway -) rental; Traffic information; Packaging of goods; Air transport; Transport by pipeline; Marine transport; Barge transport; Boat transport; Carting; Lighterage services; Railway transport; Hauling; Transport and storage of waste; Freight-forwarding; Refloating of ships; Freight [shipping of goods]; Armored-car transport; Water supplying; Water distribution.</p>
			41	<p>Education; Providing of training; Entertainment; Sporting and cultural activities; Academies [education]; Educational examination; Amusements; Vocational guidance [education or training advice]; Casino facilities [gambling] (providing-); Circuses; Club services [entertainment or education]; Coaching [training]; Music composition services; Electronic desktop publishing; Providing amusement arcade services; Zoological garden services; Disc jockey services; Entertainer services; Recording studio services; News reporters services; Language interpreter services; Animal training; Discotheque services; Tuition; Videotaping; Movie studios; Rental of cine-films; Conducting fitness classes; Photography; Photographic reporting; Health club services [health and fitness training]; Religious education; Gambling; Gymnastic instruction; Arranging and conducting of colloquiums; Arranging and conducting of conferences; Arranging and conducting of congresses; Arranging and conducting of seminars; Arranging and conducting of symposiums; Arranging and conducting of workshops [training]; Scriptwriting services; Entertainment information; Education information; Recreation information; Sign language interpretation; Calligraphy services; Nursery schools; Boarding schools; Physical education; Microfilming; Bookmobile services; Modelling for artists; Fashion shows for entertainment purposes (Organization of -); Videotape editing; Museum facilities (providing-)</p>

				<p>[presentation, exhibitions]; Music halls; Production of music; Night clubs; Dubbing; Vocational retraining; Subtitling; Publication of electronic books and journals on-line; Radio entertainment; Television entertainment; Writing of texts [other than publicity texts]; Organization of balls; Operating lotteries; Arranging of beauty contests; Organization of sports competitions; Organization of exhibitions for cultural or educational purposes; Organization of shows [impresario services]; Organization of competitions [education or entertainment]; Arranging and conducting of concerts; Orchestra services; Personal trainer services [fitness training]; Ticket agency services [entertainment]; Booking of seats for shows; Practical training [demonstration]; Amusement parks; Film production, other than advertising films; Videotape film production; Production of shows; Party planning [entertainment]; Production of radio and television programmes; Correspondence courses; Sport camp services; Layout services other than for advertising purposes; Publication of texts, other than publicity texts; Golf facilities (Providing -); Recreation facilities (providing-); Providing karaoke services; Providing on-line electronic publications, not downloadable; Game services provided on-line from a computer network; Providing sports facilities; Theatre productions; Timing of sports events; Live performances (Presentation of); Publication of books; Lending libraries; Holiday camp services [entertainment]; Rental of audio equipment; Rental of show scenery; Rental of skin-diving equipment; Rental of movie projectors and accessories; Rental of sound recordings; Rental of radio and television sets; Toy rental; Games equipment rental; Rental of sports grounds; Rental of sports equipment, except vehicles; Rental of stadium facilities; Rental of tennis courts; Rental of stage scenery; Rental of lighting apparatus for theatrical sets or television studios; Rental of videotapes; Rental of camcorders; Rental of video cassette recorders;</p>
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				Translation; Cinema presentations.
GAP	CTM 9689084	27.01.11 09.06.11	25	Clothing; Footwear; Headgear.
GAP	UK 1205420	18.10.83 18.10.83	25	Articles of outer clothing;

b) The opponent relies upon its mark CTM 9689118 to oppose the applicant's services in class 35, its CTM 9184251 to oppose the applicant's services in classes 36 and 41, and its CTM 11331345 to oppose the applicant's services in Class 39 & 41. The opponent contends that the mark in suit is confusingly similar to its registered trade marks shown above. It states that the services applied for in the mark in suit are similar or identical to those for which its marks are registered. The mark in suit would be confused with the opponent's marks and therefore it offends against section 5(2)(b) of the Act.

c) The opponent states that it has used its trade marks CTM 9689084 and UK 1205420, both for the word GAP, in the UK since January 1987 in relation to, *inter alia*, clothing footwear and headgear. It has developed a reputation and goodwill in its business such that members of the public associate the mark GAP with the opponent. The opponent contends that the mark in suit is similar to its registered trade marks shown above. The mark in suit would without due cause, take unfair advantage of or be detrimental to the distinctive character of the opponents' marks, in that it would cause tarnishing and/or loss of distinctiveness. The mark in suit would benefit from the opponent's power of attraction and ride on the coat tails of the opponent's reputation. The mark in suit therefore offends against section 5(3) of the Act.

d) The opponent contends that as a result of the goodwill and reputation it has developed in the UK by its use of the sign GAP on clothing since January 1987 use of the mark in suit will amount to misrepresentation and damage to its goodwill and also loss of sales. The mark in suit therefore offends against section 5(4)(a) of the Act.

e) On 10 February 2015 the opponent confirmed that the amended specification did not resolve the opposition.

4) On 26 June 2014, the applicants filed a counterstatement which simply denied the grounds of opposition. They did not put the opponent to proof of use.

5) Both sides filed evidence. Both parties seek an award of costs in their favour. The matter came to be heard on 27 July 2015 when the opponent was represented by Mr Hicks of Counsel instructed by Messrs Stephenson Harwood LLP; the applicant was represented by Mr Stobbs of Messrs Stobbs.

OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 10 September 2014, by Karen Scarr the Vice President of the opponent, which is a member of the group of companies owned by Gap Inc. From her statement I take the following:

- The opponent opened its first UK store in 1987 and now has 140 stores in the UK, with an additional 50 stores in Europe. There are also a number of franchise stores in Europe.
- Turnover under the GAP mark in Europe has been US\$795 million in 2011, US\$787 million in 2012 and US\$809 million in 2013.

- Products have also been available online in the UK since August 2009, originally via a third party, but since March 2013 via a dedicated UK site www.gap.co.uk. Similarly for clients in Austria, Denmark, Belgium, Finland, France, Germany, Hungary, Eire, Italy, The Netherlands, Portugal, Spain and Sweden online shopping has been available since at least April 2011.
- The GAP brand has been recognised in many reports as one of the world's leading brands and has won many awards worldwide, including a number in the UK. Global advertising expenditure has been averaged at over US\$600 million per annum in the period 2011-2013 inclusive. Various Courts in Europe have recognised that Gap has a worldwide reputation.
- In addition to selling clothing, footwear and headgear under the GAP brand the opponent has also sold items such as, inter alia, toys, books, sunglasses, cosmetics, candles, blankets under brands such as BABYGAP, GAP KIDS, GAPBODY, GAP MATERNITY, GAP OUTLET AND GAPSCENTS. The opponent has also used GAP 1969 on clothing such as sweatshirts and has it registered as a Community mark.
- Gap has a tradition of community involvement and volunteering in the UK which includes staff participation and also matching corporate donations.
- Other brands also use their house mark in combination with the number 360 on footwear. Examples are provided which include Adidas Tour 360; Adidas Pure 360; Adidas adipure 360; Nike CTR360; and Reebok 360 JAM'90HI.

APPLICANT'S EVIDENCE

7) The applicant filed a witness statement, dated 31 December 2014, by David Stitt the Managing Director of the applicant. He states that he has over 41 years of experience in the travel industry having started, and sold, a number of companies. Prior to starting the applicant company he was the founder and CEO of Real Gap Experience which he describes as the largest UK gap year company at the time. He sold this company in 2008 and it continues to trade. The applicant company was incorporated in May 2011 to provide gap year opportunities to young people, in addition it sells travel insurance and accommodation. He provides turnover and marketing figures for 2014, showing a turnover of £3.3 million with 3,750 passenger trips; but these are after the relevant date. He states that the applicant does not sell any GAP 360 branded goods and has no intention of doing so. He states that the word "Gap" has several meanings such as "hole; cleft; gash; break; period off" amongst others. He states that in the context of travel the word "gap" refers to "a type of trip which is considered a break from the normal existence of the individual taking the gap". He also contends:

"16. The term gap year or gapyear, is very widely recognised in the UK. In the past 10 years, the majority of people who travel abroad on gap years actually travel for considerably less than a year. Thus the term gap year is often shortened to gap. People say "I am taking a gap", or "I am taking a gap break", or "when I was on my gap"."

8) Mr Stitt provides the following exhibits:

- DS2: Screen prints from the applicant's website showing how it uses its mark. It uses both "GAP YEAR" and "GAP". The pages would appear to relate to travel offerings on 2015 which would mean that they date from 2014.

- DS3: A list of names from Companies House which shows 301 active companies with the word “gap” in their title. It does not give details of the industry they are engaged in or the extent of their trading.
- DS4: Results of a recent survey on Google of one hundred randomly selected UK adults aged 18-54. The question posed was “when referring to travel, what do you associate with the word gap?” The respondents had a choice of two answers; Gap year travel or a clothing store. Of those that responded, 75% thought that, in the context of travel, a gap referred to a gap year. I note that the applicant did not seek permission to submit a survey, nor is it clear quite how the respondents were selected. The full results are not provided simply a summary.
- DS5: A list of 43 UK gap travel organisations that use the word GAP as part of their brand and a further 76 other UK organisations involved with Gap Travel. Mr Stitt believes that the reason why these companies have the word “gap” in their names is because the word “gap” has a meaning in the context of travel. He notes that half use the word “gap” instead of “gap year” which he contends shows that both terms are well known and synonymous in the context of travel. The list does not show whether these companies are trading in the UK, the extent of their trade or how they trade.
- DS6: Screen prints of web pages from what Mr Stitt describes as “UK gap travel organisations” which are provided to show how common the term “gap” and “gap year” are. These are dated 22 December 2014, and there is no evidence of the extent of trade under these marks.
- DS7: A copy of the Gap-Year Guidebook 2015. This has 403 pages and is described as the Gap Year “bible” by Mr Stitt. It contains references to “gap years” and “gaps” including sections titled “who goes on a gap?”, “why should you take a gap”, “planning your gap” and various others. Mr Stitt contends that this book shows that the terms “gap” and “gap year” are synonymous when use on the context of travel. To my mind, it is not surprising that having first established that it is referring to a “gap year” the book then shortens this to “gap”.
- DS8: Screen prints from Amazon showing book titles such as *The Complete Guide to the Gap Year*; *Your Gap year*; *Lonely Planet: The Gap Year Book*; *The Gap Year Advantage*; *Taking Time Off* and *Before you Go* offered for sale in the UK. There are no details of how many books have been sold or how long they have been offered for sale.
- DS9: A selection of articles from the press, travel websites, books etc which it is claimed support the contention that “gap” means a type of travel. There are headlines such as “take the gap, go on holiday”; “gap year travel”; “Gap year destinations”; “The Family Gap”; “The Gap year goes professional” and “have tuition fees put paid to the gap year?”.
- DS10: A Wikipedia definition of the term “gap”. These are: “1. An opening in anything made by breaking or parting (a gap in a fence). 2. An opening allowing passage or entrance (We can slip through that gap). 3. An opening that implies a breach or defect (There is a gap between the roof and the gutter). 4. A vacant space or time (I have a gap in my schedule next Tuesday). 5. A hiatus (I’m taking a gap).
- DS11: Screen prints of a search from UK Google which shows that the term GAP YEAR is well known in the UK.

- DS12: Screen prints from a UK Google search for the term GAP TRAVEL which shows hundreds of listings which shows that the word gap in the context of travel means gap year. I note that the vast majority of these refer to “Gap Year Travel”.
- DS13: Copies of articles from the UK press which are said to refer to Gap Travel and Gap Years, which Mr Stitt contends demonstrates that gap years and gap travel are part of life in the UK. The relevant phrases had not been highlighted, but from my study of the exhibit I could find references to “gap year” and “gap year travel” but not “gap travel”.
- DS14: statements from travel professionals, journalists and others regarding their understanding of the word gap. These were obtained by Mr Stitt emailing them and asking them to comment. Most started off by referring to “gap year”, others began by stating that in the context of travel then a “gap” means travelling etc.

OPPONENT’S EVIDENCE IN REPLY

9) The opponent filed a witness statement, dated 21 April 2015 by Ms Scarr who has previously provided evidence in this case. This does not appear to offer much more than an update to information previously supplied. The relevant facts are:

- In 2013 EU advertising for “gap” amounted to US\$13 million. Global and EU sales continue to increase as do the number of EU outlets and countries where on-line sales are made.
- Social media “likes” have increased significantly in the years 2012 -2015.
- The opponent also offers perfumes under its “Gap Established 1969” mark.
- The opponent has offered travel prizes, amongst other things, for competitions it has run in the UK and EU. These have sometimes been related to film promotions.
- The opponent has a travel website for its employees to use. It also “assists third parties with their travel arrangements when they are taking trips on Gap-related business”.
- Examples of companies who started as manufacturers of specialist equipment and clothing expanding into offering travel services where the mountaineering/ polar expedition clothing/gear can be tried out are provided.
- The Oxford English Dictionary (2012) defines a “gap” as a break or hole in an object or between two objects. In the same book the term “gap year” is defined as “a period taken by a student as a break between school and university or college education”.
- The 2012 version of DS7 (the Gap-Year Guidebook) has contributions from Mr Stitt.

10) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

11) The opponent made the following contentions regarding the amendment to the applicant’s specification:

- a) the whole of class 36 is intended to have the qualification “all relating to gap travel”. As it stands, however, the amendment misses the word “all” which renders the qualification uncertain in scope.
- b) There is a lack of clarity in term “gap travel” used in respect of class 36 and class 41. It is highly questionable as to whether “gap travel” means anything to most people. Presumably the applicant intends “travel during a gap year”, but most people would not understand this in the context of the specification, and would be left guessing as to what was meant. Therefore, the scope of the specification is uncertain. See, in this regard, the guidance given in section 3.5 of the Manual of Trade Marks Practice, and case *C-363/99 Postkantoor* referred to.
- c) The word “travel” has been deleted in class 39 [between the words “Holiday” and “reservation services”], which appears to be an impermissible broadening of the services in respect of which registration is sought.

12) At the hearing it was agreed that the term “all” should have been in the amendment to class 36. Lastly the term “travel” would be reinserted in the class 39 specification. The applicant’s specification should therefore read:

In Class 35: Advertising services relating to the travel industries; recruitment and placement services; information relating to jobs and career opportunities; administration of temporary employment programmes; organising and conducting volunteer programmes and community service projects; information, consultancy and advisory services for all the aforesaid services.

In Class 36: Travel Insurance; financial services relating to travel; insurance services relating to travel; issuing of vouchers ; information, consultancy and advisory services for all the aforesaid services; all relating to gap travel.

In Class 39: Transport; Packaging and storage of goods; Travel arrangement; travel advice; travel agency and booking services; arranging for travel visas, passports and travel documents for persons travelling abroad; safety training courses; tours; bus tours; travel guides; travel escorts; coordinating travel arrangements for individuals and groups; package holiday services; information relating to travel; holiday travel reservation services; transportation of luggage; travel clubs; information, consultancy and advisory services for all the aforesaid services.

In Class 41: Education; Providing of training; Entertainment; Sporting and cultural activities; technical training relating to safety; job training services; recreation; arranging of group recreational activities; arranging for students to participate in recreational activities; information services relating to recreation; education and training relating to travel; publications relating to travel; travel guides; teaching; information, consultancy and advisory services for all the aforesaid services; all relating to gap travel.

13) The first ground of opposition is based on section 5(2)(b) which reads:

“5.-(2) A trade mark shall not be registered if because -

- (a)
- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

14) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an “earlier trade mark” means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

15) The opponent is relying upon its trade marks listed in paragraph 3 above which are clearly earlier trade marks. Given the interplay between the dates that the opponent’s marks CTM 9689118, CTM 9184251 and CTM 11331345 (which were registered on 13 August 2011, 30 November 2010 and 15 April 2013 respectively), and the date that the applicant’s mark was published (21 June 2013), section 6A of the Trade Marks Act does not come into play.

16) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

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

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

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

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

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

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

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

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

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

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

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

The average consumer and the nature of the purchasing decision

17) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' services; I must then determine the manner in which these services are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

18) The applicant contended:

“15. The average consumer for the purposes of the analysis is a young person. David Stitt confirms that 90% of the Applicant's business is with the age range 18 – 24 (paragraph 6 of David Stitt's Witness Statement). It is also reasonable to assume that these consumers will have a reasonable knowledge of the gap travel industry, as those are the services that are being provided, and it is the sort of service that will be researched reasonably thoroughly by the consumer, bearing in mind the nature of the of the experience and the fact that this would usually constitute an important part of a young person's life.”

19) Clearly the services in classes 35 and 39 of the applicant's specification are not restricted to gap year travel and so would be purchased by the general public including businesses. As to the restriction on the services in classes 36 and 41 it is clear that gap years are taken mostly by people aged between 18 and 24. Even if I accept the applicant's estimate, based upon his experience, that 90% of those taking a gap year are in this age grouping, this still leaves a significant number of people outside this age group. To my mind, I must therefore consider the general public as being the potential consumer. As the services include those relating to training (including job training) the average consumer must also include businesses.

20) The services of both specifications are very varied and many would be regarded as complex. Initially the services offered by both parties will be selected by eye from advertisements on the internet or some other medium such as magazines, newspapers or flyers. Some of the services will also be sold from shops. In all these instances the selection will initially be visual and so this aspect will be the most important element. When purchasing in a shop or if ordering by telephone aural considerations must be considered but the initial choice will still be made visually. Businesses choosing such services will also make their selection in the same manner. I also take into account that the services may be recommended by friends and acquaintances and again aural considerations must be taken into account. A number of the services such as “recruitment” and “voluntary programmes” will require a face to face meeting before a selection is made. Even simple travel arrangements will not be purchased without a degree of consideration as they are usually expensive and also it will be important to ensure that the arrangements are as the individual requires. All of the services covered in the applicant’s specification will be chosen with a moderate to high degree of care and attention.

Comparison of goods

21) In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

22) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

23) The opponent contends:

“It is highly questionable as to whether “gap travel” means anything to most people. Presumably the applicant intends “travel during a gap year”, but most people would not understand this in the context of the specification, and would be left guessing as to what was meant. Therefore, the scope of the specification is uncertain. Even if “gap travel” means “travel during a gap year”, it is not clear how this acts as a limitation. To take but one example, it is not clear how, if at all,

“Travel insurance ... relating to gap travel” differs from any other kind of travel insurance. No evidence has been produced to show that it has some special characteristics. Presumably it is no different from normal travel insurance.”

24) The applicant accepted that “Except in relation to certain of the services in class 35 as set out in more detail below the Applicant acknowledges that the service coverage is at least similar to the service coverage of the application.” I have set out the services of both parties in Annex 1. Even if the limitation “all relating to gap travel” makes any difference, it cannot affect the identity of the services because the opponent’s specifications are unlimited and therefore cover services relating to “gap travel” too. I have found most of the services included in the specifications of both sides are identical. The exceptions are:

In Class 35: organising and conducting volunteer programmes and community service projects; information, consultancy and advisory services for all the aforesaid services.	CTM 11331345: Class 41: Vocational guidance [education or training advice]; Vocational retraining.	Similar: The term “vocational” would include volunteer and community service. The services are similar to a medium degree.
In Class 39: safety training courses; information, consultancy and advisory services for all the aforesaid services.	CTM 9184251: Class 41: Education; Providing of training;	Similar: The provision of training, albeit in a different class must be similar at least to a medium degree.
	CTM 11331345: Class 41: Education; Providing of training;	Similar: The provision of training, albeit in a different class must be similar at least to a medium degree.

Comparison of trade marks

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

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

26) It would be wrong, therefore, artificially to dissect the trade marks, although, it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by them. The opponent’s marks are in upper case with the exception of CTM 9689118 which is in lower case. This difference is not material and the marks would be considered to be identical, as such I will refer to the opponent’s marks in the singular. The trade marks to be compared are:

Opponent’s trade mark	Applicants’ trade mark
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27) The applicant referred me to the decision of Mr Purvis in *McDonalds v Noble Foods* – (O-181-14), where at paragraph 45 of his decision he said:

“a critical factor in the Hearing Officer’s decision was her evaluation of the distinctive significance of the word HAPPY in that context in the mind of the average consumer. The existence of another prominent brand which combines HAPPY with a food stuff (Happy Egg), and evidence of the success and widespread exposure of that brand is clearly relevant to that evaluation”.

28) The applicant contends that: “If the existence of one other mark of a similar form is relevant and significant enough in the eyes of the Appointed Person to overturn a decision, it is clear that the existence of a pattern of use of the term GAP will be relevant in making the assessment here.”

29) The applicant also referred me to the case of *Whyte and Mckay Ltd v Origin Wine UK Ltd & Another* [2015] EWHC 1271 Ch. where Arnold J. stated:

“43. Counsel for the Appellant submitted that, in assessing whether there was a likelihood of confusion, the hearing officer failed to take into account the principle that, where the only similarity between the respective marks consists of a common element which has low distinctiveness, that will not normally give rise to a likelihood of confusion. In support of this submission, she relied on the decision of the Grand Board of Appeal of OHIM in Case R 1462/2012-G *Lifestyle Supplies VoF v Ultimate Nutrition Inc* [2014] ETMR 27 at [59]-[62]. She also relied on the *Common Communication on the Common Practice of Relative Grounds of Refusal – Likelihood of Confusion (Impact of Non-distinctive/weak Components)* issued by the European Trade Mark and Design Network on 2 October 2014 as part of the Convergence Programme between the Trade Mark Offices of the European Union. This states:

- When marks share an element with a low degree of distinctiveness, the assessment of LOC will focus on the impact of the non-coinciding components on the overall impression of the marks. It will take into account the similarities/differences and distinctiveness of the non-coinciding components.
- A coincidence in an element with a low degree of distinctiveness will not normally on its own lead to LOC.
- However, there may be LOC if:
 - i) The other components are of a lower (or equally low) degree of distinctiveness or are of insignificant visual impact and the overall impression of the marks is similar;
 - ii) Or the overall impression of the mark is highly similar or identical.

44. The hearing officer did not refer to *Lifestyle Supplies*, presumably because it was not cited to him. The *Common Communication* post-dates his decision. In my view both *Lifestyle Supplies* and the *Common Communication* need to be treated with a degree of circumspection. *Lifestyle Supplies* only has the authority of an OHIM Board of Appeal decision, while the *Common Communication* has no legal force at all. Some of the reasoning in *Lifestyle Supplies* (e.g. at [38]) is difficult to reconcile with *Formula One*. Moreover, it might be argued that neither *Lifestyle*

Supplies nor the *Common Communication* entirely accurately reflects the case law of the General Court (for a recent example, see Case T-123/14 *BSH Bosch under Siemens Haugeräte GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [E:T:2015:52] concerning the marks AQUAPERFECT and WATERPERFECT, although this might also be argued to fit within the exception recognised by the *Common Communication*). It is not necessary for present purposes to go further into these questions, for what can be said with confidence is that, if the only similarity between the respective marks is a common element which has low distinctiveness, that points against there being a likelihood of confusion.

45. In my judgment the hearing officer did err in failing to apply this principle. In fairness to the hearing officer it seems clear that this error arose because of the error he made at the earlier stage of his analysis, which as discussed above, may be attributable to the way the case was argued before him.

Re-assessment of the likelihood of confusion

46. It follows from my previous conclusions that it is necessary for me to re-assess the likelihood of confusion. Other than the points discussed above, neither side challenged the hearing officer's assessments. Accordingly, taking the Respondents' case based on the Word Mark first, the factors to be taken into account may be summarised as follows:

- i) the average consumer is the adult public at large, the selection process is predominantly, but not exclusively, visual and the average consumer would pay a reasonable level of attention;
- ii) there is a low degree of similarity between the respective goods;
- iii) the Word Mark has the minimum degree of distinctive character for it be validly registered;
- iv) the word ORIGIN in the Jura Mark is identical to the Word Mark, but as discussed above it does not play an independent distinctive role in the Jura Mark and is of low distinctiveness;
- and
- v) the word JURA has no counterpart in the Word Mark and is distinctive.

47. Factors (ii) to (v) all point against there being a likelihood of confusion, while factor (i) is neutral. Standing back and considering the matter overall, I do not consider that there is a likelihood of confusion.”

30) The applicant contends that:

- there is some similarity between the marks bearing in mind the coincidence of the word GAP;
- the word GAP in the context of the services covered by the Application (or at least in the context of services related to Gap Travel) must be regarded as being non-distinctive or descriptive and on this basis, when an appropriate comparison of the dominant and distinctive elements of the respective marks is carried out in the context of the services covered by the Application there is simply no prospect of a likelihood of confusion on the part of the relevant average consumer; there are a number of parties using a name containing GAP in the context of the provision of gap travel and travel services in general.
- the term GAP does not retain an independent distinctive role in the mark as filed;

31) The opponent referred me to the case of *Jack Wills Ltd v House of Fraser (Stores) Ltd* [2014]

EWHC 110 (Ch) (31 January 2014) (in the context of an infringement claim) where at paragraph 60 it stated:

“[60] The starting point, as both counsel recognised, is to assume that the trade mark in issue has not been used. As is common ground, in those circumstances, the question whether there is a likelihood of confusion must be assessed on the basis of such inherent distinctiveness as the mark may have. Normally, the inherent distinctiveness of the mark will be the same in relation to all the goods and services for which it is registered and hence for all the average consumers of those goods and services.”

32) For its part, the opponent contends:

- a) Although “gap” is a common English word, it is not inherently descriptive of, nor does it allude to, any of the goods or services the subject of Gap’s earlier trade marks which are relied upon. It follows that the word GAP is inherently distinctive in relation to such goods and services. Therefore the likelihood of confusion may be assessed on the basis of that inherent distinctiveness.
- b) “360” is a descriptive type of suffix suggestive of “full coverage”. Relevant consumers will not see it as creating a new trade mark. It merely indicates a sub-brand or brand extension of an existing trade mark. As a result, in the present case, Gap 360 suggests to consumers something which the well-known Gap business does, or some type of goods which Gap sells.
- c) The likelihood of confusion is increased because Gap has in fact used numbers after its name to indicate a brand – Gap 1969: see Karen Scarr I/para 20 and Karen Scarr II/para 9.
- d) It is common experience that in many fields of activity trade names are often followed by numbers to indicate sub-brands or product ranges or similar. In particular, “360” is used in this way as illustrated by the examples of Adidas, Nike and Reebok who all use their house brand with “360”: see Karen Scarr I/para 22.

33) I dismiss contentions c & d above on the basis that the opponent has only used its mark with numbers on a limited range of items i.e. clothing and perfume. This use has not been quantified. Similarly the use by others referred to at point (d) relates to shoes only and not services. Therefore, this is not on all fours with the instant case. Equally point (b) is not backed up by any evidence of use of the term “360” by other service providers, nor has the contention been corroborated by consumers. There is no evidence of the opponent using its mark on any services offered to the public. I discount the internal website it has set up to deal with the travel of its employees and others who are travelling to conduct business for the opponent.

34) When the term “Gap Year” was initially coined it referred to taking a year out between either, finishing at school and starting at university, thus taking an academic year off rather than actually travelling for a year. To my mind, it will still retain this meaning. The term “gap” was also used to describe a break between finishing university and starting work, but this was usually a period of months, not usually a year. The evidence filed by the applicant shows that the majority of references within the industry are to “gap year travel” not “gap travel”. I have no doubt that the former will be recognised by the majority of consumers. I am willing to accept that “gap travel” would be recognised by the majority of average consumers as well as the travel profession as relating to travel during a gap or gap year.

35) The applicants' mark has two elements "Gap" and "360" neither of which are descriptive of the applicants' services in classes 35 and 39, which are not subject to any limitation. However, when used on the services in classes 36 and 41, which are limited to services "all relating to gap travel", the word "gap" has a low level of distinctiveness. In respect of the "360" element the opponent contended that this element will be seen as meaning "full coverage". However, no evidence has been adduced in relation to this, and to my mind the term is distinctive of services relating to gap travel.

36) There are clear visual and aural similarities between the marks in that they both have the word "GAP". But given the low level of distinctiveness of that word when used for services relating to gap travel, this similarity is outweighed by the difference created by the presence of the "360" element in the applicant's mark. Conceptually, the word "gap" has a meaning in relation to the class 36 and 41 services of a break. It might have the same meaning in the opponent's unlimited specifications in classes 36 & 41. The term "360" may be seen as a reference to a circle or globe which alludes to travel but is distinctive.

Distinctive character of the earlier trade marks

37) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

"22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

38) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.'

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

39) The opponent's mark is a well known English word whose distinctive character lies within its whole. When used for gap travel services in classes 36 and 41 it is descriptive of those services and so has a low level of distinctiveness. When used on services in classes 36 & 39 it is not directly or indirectly descriptive of the services and so has an average level of inherent distinctiveness. The opponent has filed evidence of use of its mark in the UK on clothing, footwear and headgear. However, it has not filed any evidence of use for the services upon which it relies under this ground of opposition. The opponent cannot benefit from enhanced distinctiveness.

Likelihood of confusion

40) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer is a member of the general public (including businesses), who will select the services by predominantly visual means and who will pay a moderate to high degree of care and attention when doing so;
- The respective specifications are identical for the most part, with only minor exceptions being similar to a medium degree (see paragraph 24 above).
- In comparing the mark in suit to the opponent's marks the competing trade marks have a moderate degree of visual and aural distinctive similarity when used on services not related to gap travel. Conceptually the marks are highly similar. However, when used for services related to gap travel the similarity of the low distinctiveness element GAP is outweighed by the difference of the distinctive "360" element.
- the opponents' earlier trade mark has an average level of inherent distinctiveness in relation to services in classes 35 and 39 but cannot benefit from an enhanced distinctiveness as the evidence of use was in relation to clothing, footwear and headgear in the United Kingdom but no use has been established for the services relied upon under this ground of opposition. In relation to services in classes 36 and 41 relating to gap travel the opponents' earlier trade mark has a low level of inherent distinctiveness and cannot benefit from an enhanced distinctiveness for the reasons previously stated in this paragraph.

41) In view of the above and allowing for the concept of imperfect recollection, there is a likelihood of consumers being confused into believing that the services in classes 35 and 39 provided by the applicant are those of the opponent or provided by some undertaking linked to them. In reaching this

conclusion I have not relied upon the survey filed by the applicant, at least partly because no permission was given to file it. **The opposition under Section 5(2) (b) therefore succeeds in relation to the services in classes 35 and 39.** However, in relation to the services in classes 36 and 41 there is no likelihood of consumers being confused into believing that these services provided by the applicant are those of the opponent or provided by some undertaking linked to them. **The opposition under Section 5(2) (b) therefore fails in relation to the services in classes 36 and 41.**

42) I next turn to the ground of opposition under section 5(3) which reads:

“5. (3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC), in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

43) The opponent is relying only upon CTM 9689084 and UK 1205420 both for the word GAP (registered for clothing, footwear and headgear and clothing respectively) under this ground of opposition. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark’s ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious likelihood that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

44) Under this ground the opponent relies upon both its trade marks shown earlier. The onus is upon the opponent to prove that its earlier trade marks enjoys a reputation or public recognition and it needs to furnish the evidence to support this claim. To my mind, the opponent has provided the evidence, see paragraph 6 above, that its marks do enjoy such a reputation in respect of clothing, footwear and headgear and so it clears the first hurdle. This was accepted by the applicant at the hearing.

45) Once the matter of reputation is settled an opponent must then show that the relevant customers would make a link between the two trade marks and how its trade mark would be affected by the registration of the later trade mark. In Case C-408/01, *Addidas-Salomon*, the CJEU held that:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

46) There is some debate as to whether the judgment of the CJEU in *L'Oreal v Bellure* means that an advantage gained by the user of a junior mark is only unfair if there is an intention to take advantage of the senior mark, or some other factor is present which makes the advantage unfair. The English Court of Appeal has considered this matter three times. Firstly, in *L'Oreal v Bellure* [2010] RPC 23 when that case returned to the national court for determination. Secondly, in *Whirlpool v Kenwood* [2010] RPC 2: see paragraph 136. Thirdly, in *Specsavers v Asda Stores Limited*¹ [2012] EWCA Civ 24: see paragraph 127. On each occasion the court appears to have interpreted *L'Oreal v Bellure* as meaning that unfair advantage requires something more than an advantage gained without due cause. However, the absence of due cause appears to be closely linked to the existence of unfair

advantage. See paragraph 36 of the opinion of Advocate General Kokott in Case C-65/12 *Leidseplein Beheer and Vries v Red Bull*.

47) In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (CH) Arnold J. considered the earlier case law and concluded that:

“80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill.”

48) In *Aktieselskabet af 21. November 2001 v OHIM*, Case C-197/07P, the CJEU stated that:

“22. With regard to the appellant's argument concerning the standard of proof required of the existence of unfair advantage taken of the repute of the earlier mark, it must be noted that it is not necessary to demonstrate actual and present injury to an earlier mark; it is sufficient that evidence be produced enabling it to be concluded *prima facie* that there is a risk, which is not hypothetical, of unfair advantage or detriment in the future (see, by analogy, concerning the provisions of Article 4(4)(a) 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), Case C-252/07 *Intel Corporation* [2008] ECR I-0000, paragraph 38).

23. In the present case, it is clear that the Court of First Instance, in paragraph 67 of the judgment under appeal, properly established the existence of an unfair advantage within the meaning of Article 8(5) of Regulation No 40/94 in correctly considering that it had available to it evidence enabling it to conclude *prima facie* that there was a risk, which was not hypothetical, of unfair advantage in the future.”

49) The opponent contends it has reputation for fashionable and cool clothing, footwear and headgear. At the hearing Mr Hicks contrasted the advertising of both parties which he claimed both showed young people in fashionable and cool clothing striking poses. He further contended that the average consumer is used to brands being extended and ii) the leap from clothing to travel is not unusual. I find the latter contention difficult to accept and it is not backed by evidence with the exception of two companies which make highly specialised and technical equipment who also arrange expeditions for the small number of enthusiasts who purchase such items. Mr Hicks also relied upon the applicant's survey as 25% of respondents identified his client's mark. However, this survey only offered two answers (see paragraph 8 exhibit DS4 above), and was hardly scientific. I do not regard the result as indicative of the general public's view of the issue.

50) I must consider the similarity of the goods of the two parties. The opponent's clothing, footwear and headgear have nothing in common with the applicant's services in classes 35, 36, 39 or 41. Clearly, similarity of goods/services is not required under section 5(3) but it is one of the factors which

I have to take into account in determining whether the average consumer will make a link between the marks of the two parties.

51) The term GAP is a well known English word and it has an average degree of inherent distinctiveness when used on clothing, footwear and headgear. It was accepted at the hearing that the opponent's marks have an enhanced reputation through use in respect of clothing, footwear and headgear. The competing trade marks are visually and aurally similar only in respect of the term "gap" which as stated earlier has a low level of distinctiveness when used for services relating to gap travel. This point does not apply to the other services in the specification (classes 36 & 41) where the word GAP has a normal or moderate level of distinctiveness and the difference between the respective goods/services is too wide for the opponent's marks reputation for clothing to cross it. The addition of the "360" element outweighs any distinctive similarity. The applicant has been in the gap travel business for many years and wishes to offer an all-round or 360 degree level of service and so chose the mark in suit.

52) Adopting the composite approach advocated, the conclusions that I have set out above naturally lead me to the view that the average consumer will not make the link between the marks in respect of the applicant's services, and that there is no advantage for the applicant to derive, from both the reputation of the opponent and the promotional activity it carries out. **The opposition under Section 5(3) therefore fails.**

53) I next turn to the ground of opposition under section 5(4)(a) which reads:

"5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

54) In deciding whether the marks in question offend against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *WILD CHILD* case [1998] RPC 455. In that decision, Mr Hobbs stated that:

"The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the applicant from those of other undertakings (see section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Article 4(4)(b) of the Directive and section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off.

A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731 is (with footnotes omitted) as follows:

'The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

55) First I must determine the date at which the opponent's claim is to be assessed; this is known as the material date. In this regard, I note the judgment of the General Court (GC) in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Joined Cases T-114/07 and T-115/07*. In that judgment the GC said:

"50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non registered national mark before the date of filing, in this case 11 March 2000."

56) The filing date of the application (5 March 2013) is, therefore, the material date. However, if the applicant has used their trade mark prior to this then this use must also be taken into account. It could, for example, establish that the applicant is the senior user, or that there had been common law acquiescence, or that the status quo should not be disturbed; any of which could mean that the applicant's use would not be liable to be prevented by the law of passing-off – the comments in *Croom's Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42 refer." There is no evidence that the applicant has used its mark prior to the application date.

57) The opponent has not shown any goodwill in respect of the services for which its marks are registered, but has provided turnover and marketing figures for its clothing business in the UK and, to my mind, has clearly shown that it has goodwill in the UK in respect of clothing and it therefore clears the first hurdle.

58) It is well established that it is not necessary for the parties to a passing-off action to be in the same area of trade or even a related area of trade. The point can be supported by reference to the following passage from Millet L.J.'s judgment in *Harrods Ltd v Harrodian School Ltd* [1996] RPC 697:

"There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business. The expression "common field of activity" was coined by Wynn-Parry J. in *McCulloch v May* [1948] 65 RPC 58 when he dismissed the plaintiff's claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials*

Co. Ltd v John Griffiths Cycle Corporation Ltd (1898) 15 RPC 105 (cameras and bicycles); *Walter v Ashton* (1902) 2 Ch. 282 (The Times Newspaper and bicycles) and is now discredited. In the *Advocaat* case Lord Diplock expressly recognised that an action for passing-off would lie although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego* case Falconer J. acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What the plaintiff in an action for passing-off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

59) Also:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant’s goods or services.”

60) And:

“Passing off is a wrongful invasion of a right of property vested in the plaintiff, but the property which is protected in an action for passing off is not the plaintiff’s proprietary right in the name or get-up which the defendant has misappropriated but the goodwill and reputation of the business which is likely to be harmed by the defendant’s misrepresentations.”

61) Clearly, clothing is not similar to the services applied for by the applicant. To my mind the fields of activity of the two parties are so different that there is no likelihood of a substantial number of the opponent’s customers or potential customers being misled to believe that the applicant’s services are connected with the opponent. This is particularly the case in classes 36 and 41 where the services are related to gap travel. As the necessary misrepresentation required by the tort of passing off will not occur **the opposition under Section 5(4)(a) of the Act must fail in relation to all the applicant’s services.**

CONCLUSION

62) The opposition under Section 5(2)(b) has been successful in relation to the services in classes 35 and 39. The opposition under these grounds in relation to the services in classes 36 and 41 fails. The opposition under sections 5(3) and 5(4) in respect of all services applied for fails. Because of the proceedings before OHIM in relation to the opponent’s Community Trade Mark 11331345 this decision is provisional until the outcome of the proceedings before OHIM are concluded.

COSTS

63) As both sides have achieved a measure of success I do not propose to favour either side with an award of costs.

Dated this 2nd day of September 2015

**George W Salthouse
For the Registrar,
the Comptroller-General**

ANNEX 1

Applicant's services	Opponent's services	
In Class 35: Advertising services relating to the travel industries; information, consultancy and advisory services for all the aforesaid services.	CTM 9689118: Class 35: Advertising;	Identical: All the applicant's services are encompassed within the term "advertising".
In Class 35: recruitment and placement services; information relating to jobs and career opportunities; administration of temporary employment programmes; information, consultancy and advisory services for all the aforesaid services.	CTM 9689118: Class 35: business management; business administration; office functions.	Identical: All of the applicant's services are encompassed in the wider terms of the opponent's services.
In Class 35: organising and conducting volunteer programmes and community service projects; information, consultancy and advisory services for all the aforesaid services.	CTM 11331345: Class 41: Vocational guidance [education or training advice]; Vocational retraining.	Similar: The term "vocational" would include volunteer and community service. The services are similar to a medium degree.
In Class 36: Travel Insurance; insurance services relating to travel; information, consultancy and advisory services for all the aforesaid services; all relating to gap year travel.	CTM 9184251: Class 36: Insurance; financial consultancy and advisory services.	Identical: The term "insurance" encompasses "travel insurance".
In Class 36: financial services relating to travel; information, consultancy and advisory services for all the aforesaid services; all relating to gap year travel.	CTM 9184251: Class 36: financial affairs; monetary affairs; financial consultancy and advisory services.	Identical: "Financial affairs" would encompass all of the applicant's services.
In Class 36: issuing of vouchers; information, consultancy and advisory services for all the aforesaid services; all	CTM 9184251: Class 36: gift check and purchasing coupon services, financial	Identical: To my mind the term "Coupon" is synonymous with

relating to gap year travel.	affairs; monetary affairs; financial consultancy and advisory services.	“vouchers”. Further, the term “financial affairs” would encompass the issuing of vouchers.
In Class 39: Transport; Packaging and storage of goods; Travel arrangement;	CTM 11331345: Class 39: Transport; Packaging and storage of goods; Travel arrangement;	Identical: The terms used are identical.
In Class 39: travel advice; travel agency and booking services; arranging for travel visas, passports and travel documents for persons travelling abroad; tours; bus tours; travel guides; travel escorts; coordinating travel arrangements for individuals and groups; package holiday services; information relating to travel; holiday travel reservation services; transportation of luggage; travel clubs; information, consultancy and advisory services for all the aforesaid services.	CTM 11331345: Class 39: Travel arrangement; Bus transport; Freightling; Chauffeur services; Transportation information; Transportation logistics; Arranging of tours; Passenger transport; Booking of seats for travel; Travel reservation; Escorting of travellers; Transport of travellers; Taxi transport; Transport brokerage; Transport reservation;	Identical: To my mind the opponent’s specification totally encompasses all of the applicant’s specification.
In Class 39: safety training courses; information, consultancy and advisory services for all the aforesaid services.	CTM 9184251: Class 41: Education; Providing of training; CTM 11331345: Class 41: Education; Providing of training;	Similar: The provision of training, albeit in a different class must be similar at least to a medium degree. Similar: The provision of training, albeit in a different class must be similar at least to a medium degree.
In Class 41: Education; Providing of training; Entertainment; Sporting and cultural activities; teaching; consultancy and advisory services for all the aforesaid services; all relating to gap year travel.	CTM 11331345: Class 41 Education; Providing of training; Entertainment; Sporting and cultural activities; Entertainment information; Education information; Recreation information;	Identical: A number of the terms of both specifications are identical. The remainder of the applicant’s specification would be encompassed by that of the opponent.
In Class 41: technical training relating to safety; job training services; education and training relating to travel; information, consultancy and advisory services for all the aforesaid services; all relating to gap year travel.	CTM 11331345: Class 41 Education; Providing of training; Education information;	Identical: The whole of the applicant’s specification is encompassed within that of the opponent.
In Class 41: recreation; arranging of group recreational activities; arranging for students	CTM 11331345: Class 41 Entertainment; Sporting	Identical: To my mind, the whole of the

<p>to participate in recreational activities; information services relating to recreation; information, consultancy and advisory services for all the aforesaid services; all relating to gap year travel.</p>	<p>and cultural activities; Amusements;]; Casino facilities [gambling] (providing-); Circuses; Providing amusement arcade services; Entertainer services; Club services [entertainment or education]; Discotheque services; Recreation information; Night clubs; Organization of shows [impresario services]; Arranging and conducting of concerts; Booking of seats for shows; Amusement parks; Party planning [entertainment]; Recreation facilities (providing-); Game services provided on-line from a computer network;</p>	<p>applicant's specification is encompassed by the wide range of services included within the opponent's specification.</p>
<p>In Class 41: publications relating to travel; travel guides; information, consultancy and advisory services for all the aforesaid services; all relating to gap year travel.</p>	<p>CTM 11331345: Class 41: Electronic desktop publishing; Publication of electronic books and journals on-line; Providing on-line electronic publications, not downloadable; Publication of books; Education information;</p>	<p>Identical: To my mind, the whole of the applicant's specification is encompassed by the wide range of services included within the opponent's specification.</p>

In all of the above comparisons the provision of information, consultancy and advisory services would, in my opinion, be part of the provision of the actual service referred to.