

O/405/18

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO 3 178 454: SRU.COM IN
THE NAME OF SRU INTERNATIONAL LIMITED

AND

IN THE MATTER OF OPPOSITION THERETO
BY SCOTTISH RUGBY UNION PLC

Background and pleadings

1. SRU International Limited (applicant) applied to register the trade mark SRU.COM under No 3 178 454 in the UK on 4th August 2016. It was accepted and published in the Trade Marks Journal on 4th November 2016 in respect of the following services in Class 41:

Teaching; education; training; entertainment services; production of television programs; film distribution; production of shows; production of films; provision of non-downloadable films and television programs via a video-on-demand service; arranging, conducting and organisation of workshops; conducting of seminars and congresses; arranging of exhibitions for cultural purposes; organizing and arranging exhibitions for entertainment purposes; organizing and presenting displays of entertainment [relating to style and fashion]; organization of [fashion] shows for entertainment purposes.

2. Scottish Rugby Union Plc (the opponent) oppose the trade mark on the basis of, Section 5(2)(b) of the Act. This is on the basis of its earlier trade mark No 2 023 301 SRU, relied upon in respect of the following services:

Class 41:

Sporting services, organisation of sporting events and activities, recreational services, publishing services, arranging and conducting of seminars, club services, physical education, training (practical demonstrations), sport camp services, education relating to sports and leisure, organisation of sporting events and competitions, organisation of exhibitions, film production, provision of exhibition and museum facilities, performances, provision of stadium, conference and exhibition services, rental of stadium facilities and sports apparatus; musical and photographic services.

3. In respect of the above, the opponent argues that the respective services are identical or similar and that the marks are similar.

4. Further, the opposition is based on Section 3(6) of the Trade Marks Act 1994 (the Act). It argues this is on the basis of its ownership of the earlier trade mark SRU. Further, the sole Director of the applicant is Michael Gleissner, who is not the owner of SRU. Further, that Mr Gleisner holds 1103 appointments as Director of UK companies incorporated between 2015 and 2016. These companies include EUTM International Limited and EUIPO International Limited. An application by the latter was made to register the trade mark EUIPO in Portugal. This is the extent of the pleadings in respect of bad faith.

5. The applicant filed a counterstatement denying the claims made. Specifically, it argues that the respective trade marks are sufficiently different to avoid confusion. In respect of bad faith, the applicant makes a number of arguments. Notably, it argues that there is a presumption of good faith unless the contrary is proven. Further, on the subject of use, it argues that, according to the law of the UK, the owner of a trade mark is not expected to make genuine use of the mark while examination or opposition proceedings are pending, or under any circumstance, before the five year grace period has begun. The counterstatement goes on to say:

“Considering the above, there is no requirement for the Applicant to show intent to use the Subject Mark, as the registration is pending and the application is under opposition proceedings. In any case, a registered proprietor is entitled to make use of a trade mark at any point during the five year grace period; there is no strict requirement to prove the intent to put a mark to use immediately before or after the registration. In certain cases, according to the UK law, an owner is not required to put its trade mark to use until 1 day before the expiration of the ‘grace period’ granted by the Act upon registration.

The *bona fide* intention to make use of the Subject Mark if and when it achieves registration can, according to UK law, only be evaluated in the course of a revocation action due to non-use after 5 years of registration.

Accordingly, and in any other circumstance, the present application for registration was made in good faith and the claims of the Opponent to the contrary should be dismissed”.

6. Only the opponent filed evidence in these proceedings. Both sides filed written submissions which will not be summarised but will be referred to as and where appropriate during this decision.
7. A Hearing took place on Wednesday 7th March 2018, with the opponent represented by Mr Alasdair Hume of Ancient Hume. The applicant did not attend. The submissions made during the Hearing have been fully considered in reaching this decision and will be referred to as and when appropriate.

Evidence filed

8. The evidence of the opponent has been fully considered and perused. However it is not summarised in full. Rather, the summary that follows focusses upon the information considered to be directly relevant to the issues in question.
9. The opponent filed a witness statement, dated 12th June 2007, from Karen Pollock, a trade mark paralegal with the opponent’s representatives. She explains:
 - The sole director of the applicant is Michael Gleissner. Mr Gleissner has according to the records at Companies House (at the date of the witness statement), 1102 appointments as a director of UK companies. Exhibit KP1 refers.
 - Exhibit KP2 of the witness statement, is a copy of a blog, dated 26th April 2017, from the website of The World Trademark Review. It describes an investigation carried out by the review into legal entities being linked to Michael Gleissner, the sole Director (and so, the controlling mind)¹ behind the

applicant in these proceedings. It is noted that this evidence is hearsay evidence. In this regard, I bear in mind the following guidance from Section 4 of the Civil Evidence Act 1995:

4.—(1) In estimating the weight (if any) to be given to hearsay evidence in civil proceedings the court shall have regard to any circumstances from which any inference can reasonably be drawn as to the reliability or otherwise of the evidence.

(2) Regard may be had, in particular, to the following—

(a) whether it would have been reasonable and practicable for the party by whom the evidence was adduced to have produced the maker of the original statement as a witness;

(b) whether the original statement was made contemporaneously with the occurrence or existence of the matters stated;

(c) whether the evidence involves multiple hearsay;

(d) whether any person involved had any motive to conceal or misrepresent matters;

(e) whether the original statement was an edited account, or was made in collaboration with another or for a particular purpose;

(f) whether the circumstances in which the evidence is adduced as hearsay

are such as to suggest an attempt to prevent proper evaluation of its weight.

10. It is considered that the trade mark review aims to inform those interested in Trade Marks and/or employed within the Trade Mark Profession. This is the purpose of the blog and so to this extent appears independent. It does not draw any particular conclusions, nor does it explicitly invite the reader to. It simply presents information regarding Mr Gleissner's business model (the nature of which it accepts is unclear). It is also clear that the activities described are perfectly legal. I consider that, bearing in mind the above guidance, it can be accorded at least some weight in reaching this decision, particularly as regards the behaviour (in respect of trade mark filing) of the applicant in these proceedings, which is potentially directly relevant to the claim of bad faith under Section 3(6).

11. In her witness statement, Ms Pollock draws out particular sections of the blog, most notably that which refers directly to trade mark filings. The blog itself is contained in full within the Exhibit. The entire article has been perused in reaching this decision, with the following information considered to be of particular note:

“So it appears that Gleissner is looking at each registered trade mark as a brand asset that increase in worth over time. But such a vast filing operation (spanning hundreds, possibly thousands of marks around the world) inevitably has an impact on other parties. In this instance, other brands – often those used by small businesses – are finding that they are being challenged with trade mark oppositions and other enforcement actions as Gleissner looks to protect his “incubator brands”

12. Exhibit KP3 to the witness statement is a sample of trade mark applications where the applicant is a company of which Mr Gleissner is a director and where third parties have filed opposition or cancellation actions. It is noted that there are several examples contained therein.

13. Exhibit KP4 contains information relating to the refusal to register particular trade marks filed by companies of which Mr Gleissner is a director. These include EUIPO (in Portugal), MADOFF and TOKYO.COM (in the USA) and an abandoned application seeking registration of the mark THE HOME DEPOT in the USA. These are exhibited as illustrative examples of phenomena described in the aforementioned blog whereby Mr Gleissner's companies seek to register trade marks that relate to established brands, common names, well-known fictional and real life individuals and domain names related to cities.
14. There is evidence from the opponent of proof of use of the earlier trade mark. This takes the form of a witness statement, dated 7th June 2017, from Mr Graham Ireland, who is the Head of Regulation at Scottish Rugby Union Plc.
15. The evidence filed is modest to say the least. Exhibit GAI1 is an extract from the 2015/16 Rugby Record Publication. This lists the winners of the various SRU Cup Competitions and according to Mr Ireland, demonstrates use of SRU in relation to the organisation of sporting events and competitions. The exhibit also includes an extract from the Scottish Rugby Participation Agreement of 2013 which refers to a "Rugby Ready Practical Course". Exhibit GAI2 includes the related course manual. According to Mr Ireland, this is an example of use of SRU for education relating to sports and leisure in the relevant period. The remainder of Exhibit GAI2 is a "Disciplinary Memorandum: Abuse of Match Officials" showing (according to Mr Ireland) use of SRU on sporting services and events.
16. The remainder of the evidence is an investigation report by Mr Marc Godfrey. The purpose of the report describes alleged behaviour of another of Mr Gleissner's companies in respect of the ownership of a website which is, allegedly, a phishing mirror page copied from that of the EU IPO. This apparently aims to dupe anyone carrying out preliminary clearance searches by recording the results of the search before redirecting users to the real EU IPO website. The recorded searches can then be utilised to pre-empt domain

name registrations involving the search keywords, with the potential for any associated trade mark registrations. It is notable that the report ends by stating that no conclusions can be drawn.

Applicant's response to the opponent's evidence

17. The applicant did not file evidence in response. Rather, it did file written submissions, the sum of the response being as follows:

- Mr Gleissner is well within his rights to hold the Directorships in those UK companies. His appointment was executed within the boundaries of the Companies Act 2006, which does not give an indication that there is a limit to the number of directorships that a person can hold. There is no conclusive evidence from the opponent that there is any impropriety on the part of Mr Gleissner holding numerous directorships. Further, there is no indication that Mr Gleissner has been disqualified under the Companies Act to prevent him from acting as a Director.
- In response to the number of trade mark filings, the applicant responds that the Trade Marks Act 1994 does not provide a limit as to the number of trade marks that a person and/or company is able to register, so long as the applications do not contravene Sections 3 and 5 of the Act.
- In response to the investigative report from Mr Godfrey, the applicant states that the findings offered are merely the opinion of Mr Godfrey and that there is no evidence to corroborate the allegation that the website in question was a "phising mirror page".

18. This concludes my review of the evidence. I will consider the opposition in respect of Section 3(6) first.

Legislation

19. Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

20. The law in relation to section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch):

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C- 529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the

allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT*

WEEKLY Trade Mark [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

21. It is considered that the opponent has not established a *prima facie* case against the applicant as regards bad faith. The allegations made are a series of statements regarding the business model of the sole Director of the applicant in these proceedings. However, it does not explicitly state what the bad faith actually is in respect of these proceedings. Further, the statements made (and the evidence in support) invite the decision maker to make a number of assumptions. It is noted that the opponent, in its submissions, emphasises that it contacted the applicant, after the date of application and that even following this contact, the applicant did not withdraw its application. The opponent appears to view this action on the part of the applicant as evidence of bad faith. Though evidence after the relevant date can be helpful, I cannot see how this example aids the opponent. The applicant is presumed to have acted in good faith and the lack of a withdrawal of said application cannot, in my view, amount to proof of bad faith (bearing in mind that the date the matter is to be judged is the date of application). Indeed, there is no direct evidence of bad faith in these proceedings at all. Had the opponent argued (and shown in evidence) that its earlier trade mark enjoys a reputation which the applicant is seeking to exploit, the matter may have been different. It has not done so. The ground of opposition based upon Section 3(6), therefore fails.

Final Remarks – Bad faith

22. As already stated, the applicant in its counterstatement, has argued that there is no requirement to use the mark until one day before the expiry of the five year period following registration. Following this, the trade mark becomes vulnerable to an attack on the grounds of non-use. The applicant claims that the intention to use can only be assessed at this point.

23. For the sake of completeness, the applicant should note that this submission is wrong in law. The five year grace period to commence use following registration is separate from the declaration (s.32(3)) that, at the date of

application, the mark is in use in relation to the goods and/or services or that there is a *bona fide* intention to do so.

Section 5(2)(b) – Likelihood of confusion

Proof of use

24. Relevant statutory provision: Section 6A:

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a),
(b) or (ba) in relation to which the conditions set out in section 5(1), (2)
or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed
before the start of the period of five years ending with the date of
publication.

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

(3) The use conditions are met if -

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

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

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

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

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

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

25. Section 100 of the Act states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

Relevant case law – Genuine use

26. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“217. *The law with respect to genuine use* . In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439 , Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

218. An important preliminary point to which Prof Annand draws attention in her decision is that, whereas the English versions of Articles 10(1) and 12(1) of the Directive and Articles 15(1) and 51(1)(a) of the Regulation use the word “genuine”, other language versions use words which convey a somewhat different connotation: for example, “ernsthaft” (German), “efectivo” (Spanish), “sérieux” (French), “effettivo” (Italian), “normaal” (Dutch) and “sério/séria” (Portuguese). As the Court of Justice noted in *Ansul* at [35], there is a similar difference in language in what is now recital (9) of the Directive.

219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve

an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

27. As already stated above, the evidence filed is very modest. However, it is considered that it does, just about, demonstrate genuine use of the earlier trade marks. However, it does not demonstrate use across the full range of services for which the earlier trade marks are registered. As such, I bear in mind the following guidance:

28. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

29. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

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

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

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

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

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

30. Bearing in mind the above, it is considered that the following represents a fair specification, for which genuine use has been shown:

Sporting events; education relation to sport.

31. The services above will therefore form the basis of the comparison to be made.

Section 5(2)(b)

32. Section 5(2)(b) of the Act is as follows:

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

(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”.

Comparison of goods and services

33. In the judgment of the Court of Justice of the European Union 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”.

34. 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 uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) 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;

(f) 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.

The earlier services are:

Class 41:

Sporting events; education in relation to sport.

The later services are:

Teaching; education; training; entertainment services; production of television programs; film distribution; production of shows; production of films; provision of non-downloadable films and television programs via a video-on-demand service; arranging, conducting and organisation of workshops; conducting of seminars and congresses; arranging of exhibitions for cultural purposes; organizing and arranging exhibitions for entertainment purposes; organizing and presenting displays of entertainment [relating to style and fashion]; organization of [fashion] shows for entertainment purposes.

35. The earlier term is *education in relation to sport*. Such a term is likely to include formal teaching, coaching and training. The later terms: *teaching; education; training* are broader and will encompass the earlier activities. They are considered to be identical². The following later terms also encompass activities likely to be included within the earlier term: *conducting and organisation of workshops; conducting of seminars and congresses*. They are also considered identical.

² *G rard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05,

36. The later *entertainment services* seek to entertain and engage the attention of the viewer/participant. The earlier *sporting events* are therefore similar in terms of purpose as sport also entertains and engages. They can differ in nature and method of use, but can coincide in respect of the end user. They are considered to be similar, to a low degree.
37. It is noted that the later trade mark includes other services which can be classed as entertainment. However these are qualified: *organizing and presenting displays of entertainment [relating to style and fashion]; organization of [fashion] shows for entertainment purposes*. It is considered that the qualification of these services as relating to style and fashion makes a difference. They are not considered to be similar to sporting events.
38. There are other later services that do not appear to have anything in common with the earlier services, namely: *production of television programs; film distribution; production of shows; production of films; provision of non-downloadable films and television programs via a video-on-demand service; arranging*". They are not similar.
39. The remaining later services are: *arranging of exhibitions for cultural purposes; organizing and arranging exhibitions for entertainment purposes*. In relation to the former, the purpose is to educate the user about, for example, the arts and other forms of human intellectual achievement. Though, strictly speaking, sport may not be classed as an art or an intellectual achievement, nonetheless it is considered that sport can form part of a nation's cultural identity. Sometimes, notably so. As the earlier term is *education in relation to sport*, within which exhibitions can reasonably be included, it is considered that the terms are similar to at least a low degree. In respect of the latter later term, similar reasoning applies. Sport is also a form of entertainment and so the respective purpose (to entertain) is broadly similar. It is not unreasonable to consider that organisers of the earlier *sporting events* may also, as part of that activity, organise and arrange exhibitions, the aim of which to inform and entertain. These could, for example, take the form of a historical look at the

particular area of sport and detail notable achievements. The terms are considered similar, to a low degree.

Comparison of marks

40. 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 the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union 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.”

41. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

42. The respective trade marks are shown below:

SRU	SRU.COM
Earlier trade mark	Later trade mark

43. Both trade marks are word only. It is noted that the later trade mark includes an additional element: “.COM”. This is widely known to refer to a web address and so it is SRU that is the distinctive element. Neither element is visually dominant. Visually, the marks coincide in respect of SRU and differ as already described and shown. The common element also appears at the beginning of the contested trade mark. They are considered to be visually highly similar.

44. Aurally, the earlier trade mark is likely to be articulated as separate letter sounds S R U. The later trade mark while follow suit with the addition of two syllables: “dot com”. Despite this they are considered to be highly similar aurally.

45. Conceptually, it is possible that some of the general public will understand SRU as referring to Scottish Rugby Union. In such a scenario, the later trade mark will be understood in the same manner (albeit in respect of a website of Scottish Rugby Union). In these circumstances, the marks are highly similar conceptually.

46. For those for whom SRU has no meaning, the conceptual impact is neutral. That the later trade mark has the appearance of a web address does not affect the neutrality of the concept overall.

Average consumer and the purchasing act

47. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

48. 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.”

49. In respect of the services found to be identical and/or similar, the average consumer will be both the general public (ticket buyers to a sporting/entertainment event) and also professionals (or would be professionals) looking to gain, for example, particular education and/or training or those wishing to organise an event. Purchasing tickets for the correct event; choosing the correct training; acquiring the correct organisation personnel are all infrequent purchases. Further, they are relatively more expensive. It is expected that the degree of attention displayed during the purchasing process will be at least reasonable.

Distinctive character of the earlier trade mark

50. 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).”

51. The earlier trade mark is SRU. The evidence filed is modest as already described and does not aid in respect of any claim to enhanced distinctiveness. SRU has no meaning in respect of the relevant services. It is possible that for some, SRU will be understood as referring to the Scottish Rugby Union. However, this does not prevent SRU from acting as a badge of origin for the services for which use is shown. It is distinctive to an average degree.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

52. The following principles 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.

The principles

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

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

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

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

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

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

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

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

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

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

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

53. Some of the services have been found to be identical and/or similar (the latter to varying degrees but nothing turns on this point). The earlier trade mark is (averagely) distinctive. It is also highly similar visually and aurally to the later trade mark. The conceptual impact is neutral for those for whom SRU is meaningless. For those who are aware that SRU is Scottish Rugby Union, the marks are also highly similar in this regard. Irrespective of the conceptual comparison, the trade marks in question are clearly highly similar. The additional elements in the later trade mark coupled with the level of attention expected to be displayed during the purchasing process are considered to be

more than adequate to avoid consumers mistaking one trade mark for the other. There is no likelihood of direct confusion.

54. However this is not the end of the matter. I bear in mind the following:

55. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

56. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

57. It is considered that the marks in conflict in these proceedings provide a clear illustration of the operation of indirect confusion. Consumers, upon seeing the later trade mark will unequivocally conclude that it is merely the web address of the earlier trade mark. There is clearly a likelihood of indirect confusion.

58. The opposition therefore succeeds in respect of the services found to be identical and/or similar. It fails in respect of those services found to be not similar.

Conclusion

59. The opposition has been partially successful. The application will be refused in respect of the following services:

Teaching; education; training; entertainment services; conducting and organisation of workshops; conducting of seminars and congresses; arranging of exhibitions for cultural purposes; organizing and arranging exhibitions for entertainment purposes.

60. It can proceed to registration in respect of the following services:

Production of television programs; film distribution; production of shows; production of films; provision of non-downloadable films and television programs via a video-on-demand service; organizing and presenting displays of entertainment [relating to style and fashion]; organization of [fashion] shows for entertainment purposes.

COSTS

61. The parties have each achieved a roughly equal measure of success. I order therefore that they should bear their own costs.

Dated this 03rd day of July 2018

Louise White

**For the Registrar,
The Comptroller-General**