

O/013/21

IN THE MATTER OF THE TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO 3,401,919 IN THE NAME OF BUX & CO LTD TO REGISTER AS A TRADE MARK:

F1T

AND OPPOSITION THERETO (UNDER NO. 417,591) BY FORMULA ONE LICENSING BV

AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF JAMES HOPKINS (O/401/20) DATED 14 AUGUST 2020.

DECISION

Introduction

1. This is an appeal by Formula One Licensing BV (the **Opponent**) from the decision O/401/20 of James Hopkins in which he refused the Opponent's opposition to Bux & Co Ltd's (the **Applicant**) application.
2. On 24 May 2019, the Applicant applied to register the trade mark **F1T** under number 3,401,919 in respect of various goods in services in classes 25 and 41. The application was published in the Trade Marks Journal on 7 June 2019 for opposition purposes. The Applicant subsequently restricted the scope of the application to "*provision of gym facilities*" in class 41.
3. A Notice of Opposition was filed by the Opponent on 9 September 2019, under s. 5(2)(b) of the Trade Marks Act 1994. The Opponent relied upon its International Registration designating the United Kingdom number 1360007 (the **earlier mark**), for:

F1

4. The earlier mark was registered on 17 February 2017 and on 31 July 2018 the opponent designated the UK as a territory in which it sought to protect the International Registration under the terms of the Protocol to the Madrid Agreement. Protection for the earlier mark was granted on 22 November 2018 in respect of a range of goods and services in classes 4, 9, 12, 14, 16, 18, 25, 28, 32, 33, 35, 36, 38, 39 and 41. However, for the purposes of the opposition, the opponent only sought to rely upon the following services:

Class 41: Sporting activities; providing of training; provision of training; providing recreation facilities; providing facilities for sports events; organization of sporting events and activities; organization of sports competitions; providing sports facilities; information services concerning sports events.

5. As the earlier mark had not been protected for five years or more at the filing date of the application, it was not subject to the proof of use provisions contained in Section 6A of the Act. Consequently, the opponent was entitled to rely upon all the services in class 41 listed above without having to establish genuine use.
6. The opponent contended that the competing trade marks are visually, aurally and conceptually similar, and that the services of the application are “covered by, or are similar to,” the services in class 41 of the earlier mark.
7. Neither side filed evidence, and neither side requested an oral hearing, with both parties instead filing written submissions in lieu. In his decision dated 14 August 2020, James Hopkins for the Registrar rejected the opposition.
8. On 8 September 2020 the Opponent filed a Notice to Appeal to the Appointed Person against the Hearing Officer’s decision under Section 76 of the Trade Marks Act 1994.

The Hearing Officer’s decision

9. The Hearing Officer held as follows (in summary):
 - a) The services of the Applicant’s mark and earlier mark are identical or highly similar;
 - b) The level of attention of the general public in respect of such services would be average;
 - c) The purchasing process for the services would be predominantly visual in nature, although aural considerations cannot be discounted;
 - d) The overall impression of the earlier mark would be dominated by the term “F1”, being the only element of the mark;
 - e) The overall impression of the Applicant’s mark would be dominated by the term “F1T”, being the sole element of the mark;
 - f) The Applicant’s mark and the earlier mark are visually similar to a medium degree;
 - g) Some consumers will perceive the Applicant’s mark as an inventive misspelling of the word “FIT”. Such consumers would articulate the Applicant’s mark as FIT, for whom the competing marks are aurally dissimilar. For other consumers, the Applicant’s mark and the earlier mark are aurally similar to a medium degree;
 - h) For consumers who perceive the Applicant’s mark as “FIT”, the marks are conceptually dissimilar. For other consumers, the marks are conceptually neutral;
 - i) The earlier mark possesses a medium level of inherent distinctive character;
 - j) There is no likelihood of direct confusion;
 - k) The average consumer would not assume the opponent and the applicant are economically linked undertakings on the basis of the competing trade marks. Furthermore, the addition of a letter “T” to the seemingly arbitrary characters “F1” is neither simply adding a non-distinctive element to the earlier mark nor is it characteristic of any brand extensions with which consumers would be familiar. There is therefore no likelihood of indirect confusion.

Grounds of Appeal

10. The Opponent contended that the Hearing Officer made the following errors of principle in his assessments:
 - (a) Failure to apply the global appreciation test correctly when assessing the likelihood of confusion under Section 5(2)(b) TMA 1994.
 - (b) Placing excessive emphasis on the length of the marks, despite acknowledging that there is no special test or established principle when conducting the comparison of 'short' marks.
 - (c) Insufficient emphasis on the principle that consumers pay most attention to the beginning of a mark.
 - (d) Overlooking and/or incorrectly applying the established principle of imperfect recollection.
 - (e) Overlooking the impact of and/or incorrectly applying the principle of interdependence.
 - (f) The illogical finding that there is no likelihood of confusion on the basis that there would be no indirect confusion.
 - (g) Finding that 'some' consumers will perceive the contested mark to be alluding to FIT rather than F1T.
11. During the appeal hearing, the Opponent's representative clarified and expanded upon the above. In essence, the Opponent contends that given the findings of identical/highly similar services, a medium degree of visual and aural similarity, a medium level of inherent distinctive character, and an average level of attention on the part of the public, a likelihood of confusion must be established unless there are cogent reasons militating against any such likelihood. The Opponent contends that there are in this instance no such cogent reasons. The Hearing Officer failed to apply the global appreciation test correctly (ground (a)), and grounds (b) – (g) in paragraph 10 above are contended to be the specific failings of the Hearing Officer in that regard. The result, accordingly to the Opponent, is that the Hearing Officer's conclusion that there is no likelihood of confusion is a *non sequitur* in light of the Hearing Officer's other findings.
12. The Respondent contends that the Hearing Officer gave due consideration and weight to all the factors the Opponent claims were not considered, or were not considered correctly. The Hearing Officer was entitled to arrive at the conclusions he did, and the appeal should accordingly be dismissed.

Standard of review

13. The approach to be adopted in an appeal hearing has been laid down a number of times in case law, both in general terms (e.g. by the Supreme Court in *Actavis Group PTC v. ICOS Corporation* [2019] UKSC 1671) and specifically in relation to appeals before the Appointed Person (Daniel Alexander QC sitting as the Appointed Person in *TT Education Ltd v Pie Corbett Consultancy Ltd* (O/017/17), approved by Arnold J in *Apple Inc v Arcadia Trading Limited* [2017] EWHC 440 (Ch)). These cases establish the following principles:

- Appeals to the appointed person are by way of review, not re-hearing;
- It is necessary for the appellant to satisfy the appeal tribunal that there was a distinct and material error of principle in the Hearing Officer's decision, or that the Hearing Officer was wrong;
- In the case of conclusions on primary facts it is only in a rare case, such as where that conclusion was one for which there was no evidence in support, which was based on a misunderstanding of the evidence, or which no reasonable judge could have reached, that the Appointed Person should interfere with it;
- In the case of a multifactorial assessment or evaluation, the Appointed Person should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions. In particular, where an Appointed Person has doubts as to whether the Registrar was right, he or she should consider with particular care whether the decision really was wrong or whether it is just not one which the appellate court would have made in a situation where reasonable people may differ as to the outcome of such a multifactorial evaluation;
- Situations where the Registrar's decision will be treated as wrong encompass those in which a decision is (a) unsupportable, (b) simply wrong (c) where the view expressed by the Registrar is one about which the Appointed Person is doubtful but, on balance, concludes was wrong. It is not necessary for the degree of error to be 'clearly' or 'plainly' wrong to warrant appellate interference but mere doubt about the decision will not suffice;
- The Appointed Person should not treat a decision as containing an error of principle simply because of a belief that the decision could have been better expressed. Appellate courts should not rush to find misdirections warranting reversal simply because they might have reached a different conclusion on the facts or expressed themselves differently. Moreover, in evaluating the evidence the Appointed Person is entitled to assume, absent good reason to the contrary, that the Registrar has taken all of the evidence into account.

14. I shall bear all the above in mind when reviewing the Hearing Officer's decision.

Discussion

15. Before assessing the Decision and the appeal, there are two preliminary points which are of general importance. First, it is necessary to point out that the Hearing Officer's determination of the opposition was necessarily conducted in a somewhat artificial context. The Opponent's group of companies is of course a large, famous and highly profitable enterprise, and the **F1** mark, through the extensive use made of it over many years, is in reality a well-known and distinctive mark, at least in relation to motor sport. However, the Opponent chose not to file any evidence of use or distinctiveness, and accordingly the Hearing Officer held, at paragraph 32:

"I do not agree with the opponent's assertion that the mark evokes or alludes to Formula One motor racing. While it is possible that the mark would provide this conceptual message to those familiar with motor sports, the opponent has not adduced any evidence to demonstrate that a significant proportion of consumers of the services at issue would

perceive the mark in the manner it has suggested. I find that the average consumer would perceive the earlier mark as a conceptually neutral combination of a letter from the English language and a numeral”.

16. In my view, the Hearing Officer was correct to adopt such an approach. Furthermore, during the appeal hearing, the Opponent’s representative conceded that the fame and reputation of the F1 mark, gained through its use in relation to Formula One racing, is irrelevant in respect of the opposition. Again, in my view, he was correct to do so.
17. Accordingly, it was necessary for the Hearing Officer to approach the opposition in the same manner as if the earlier mark had been any conceptually neutral combination of a letter from the English language and a numeral e.g. **G2**. I say more about this in paragraph 53 below.
18. Secondly, neither party sought to challenge the Hearing Officer’s findings as to similarity, distinctive character or level of attention of the general public. Accordingly, the findings summarised at (a)-(i) of paragraph 9 above are not challenged in this appeal, save for those in (g) and (h) which relate to the subset of consumers who perceive the Applicant’s mark as “FIT”.
19. I now turn to each of the Opponent’s Grounds of Appeal. As I explain in paragraph 11 above, during the appeal hearing the Opponent’s representative explained that grounds (b) – (g) are the specific instances of the alleged ground (a) failure to apply the global appreciation test correctly. I shall therefore first consider grounds (b) – (g), before turning to ground (a) as a global review of the Hearing Officer’s decision.

(b) Placing excessive emphasis on the length of the marks, despite acknowledging that there is no special test or established principle when conducting the comparison of ‘short’ marks

(c) Insufficient emphasis on the principle that consumers pay most attention to the beginning of a mark

20. I shall address these points together, as there is an interplay between them in the Hearing Officer’s decision. The Hearing Officer cited, at paragraphs 43-44, the following excerpts from the decision of Mr James Mellor Q.C. as the Appointed Person in *Robert Bosch GmbH v Bosco Brands UK Limited*, BL O/301/20:

“38. In my view, it is clear that none of these cases establish any sort of special test for short marks. The point is a common sense one – that if marks differ e.g. by one letter, the difference may have a greater impact in marks which consists of two letters than four etc. But every comparison must be conducted according to the approach laid down in the CJEU case law and every comparison will depend on its own facts.

...

43. All the cases to which I have made reference on this topic establish that there are no special tests which apply to ‘short’ marks – whatever falls within the supposed category of ‘short’ marks. In reality, the tribunal simply has to apply the well-established propositions for assessing the visual, aural and conceptual similarities.”

21. The Appellant submitted that the above decision is not a binding authority on another Appointed Person. That may well be so, but I do not believe that James Mellor Q.C. was seeking to lay down a binding authority. Rather, he was simply stating an obvious truth – a “common sense” point, as he put it – that the impact of a single changed or additional character in a short

mark is likely to be greater than that it would be in a longer mark. In any case, I respectfully agree entirely with James Mellor Q.C. on this point.

22. In this particular instance, the earlier mark comprises only two characters, and the addition of a third character therefore increases its length by 50%, with the additional character comprising one third of the length of the contested mark. That being so, the Hearing Officer was entitled to take account of the brevity of the earlier mark in assessing likelihood of confusion, even though the approach to assessing confusion is the same for a short mark as for a long mark.
23. As for the additional character “T” being at the end of the mark, the Hearing Officer considered the case of *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, which lays down the proposition that beginnings of word tend to have more visual and aural impact than the ends.
24. At paragraph 47, the Hearing Officer drew the two points together:

“Even though this difference is at the end of the marks, a position which ordinarily has less impact than the beginning, that is offset by the shortness of the marks.”
25. In my view, the Hearing Officer was perfectly entitled to consider the interplay between the two factors, and to make a finding that they, to a greater or lesser extent, cancelled each other out. Whereas the length of the mark, and the position within the mark of any changes, are each factors that a Hearing Officer is entitled to take into account, the case law does not specify which, if any, of the factors outweighs the other. Accordingly, the weight to be given to each is a matter for the Hearing Officer, and it cannot be said that he erred in principle, or made a decision that was wrong, in deciding that one offset the other.

(d) Overlooking and/or incorrectly applying the established principle of imperfect recollection

26. The Opponent relies upon paragraph 26 of the CJEU judgment in C-342/97 LLOYD SCHUHFABRIK MEYER:

“For the purposes of that global appreciation, the average consumer of the category of products concerned is deemed to be reasonably well-informed and reasonably observant and circumspect (see, to that effect, Case C-210/96 Gut Springenheide and Tusky [1998] ECR I-4657, paragraph 31). However, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind. It should also be borne in mind that the average consumer’s level of attention is likely to vary according to the category of goods of services in questions”
27. With regard to direct confusion, the Hearing Officer held, at paragraph 47:

“Moreover, I agree with the applicant’s argument that the element “F1” does not play an independent role within the overall impression of the contested mark; I do not believe that consumers would dissect the contested mark to analyse its various details.”
28. Given that finding, which is not challenged in this appeal, and also the Hearing Officer’s statement at paragraph 48 that he has factored in the imperfect recollection of the consumer, I consider that the principle of imperfect recollection has been applied. The Hearing Officer was entitled to find no likelihood of direct confusion, because the average consumer simply would not perceive the earlier mark within the Applicant’s mark when used in relation to the services for which it is applied.

29. I shall address the position regarding indirect confusion in section (f) below.

(e) Overlooking the impact of and/or incorrectly applying the principle of interdependence

30. The Opponent relies on the principle, as confirmed in paragraph 17 of CANON C-39/97, that:

“A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between these goods or services. Accordingly, a lesser degree of similarity between these goods or services may be offset by a greater degree of similarity between the marks, and vice versa.”

31. The Opponent points to the finding of identity in respect of services – the Opponent submits in terms that this finding further “boosts” the finding of a medium degree of aural and visual similarity of the marks.

32. Furthermore, the Opponent submits that “it is not necessary for marks to be visually, aurally and conceptually similar for an opposition to succeed on the basis of a likelihood of confusion”.

33. Dealing with the latter submission first, as discussed in paragraphs 44-49 below, the Hearing Officer held that a proportion of consumers will perceive the Applicant’s mark as “FIT”, and that such consumers will regard the marks as being aurally and conceptually dissimilar. Whilst it is true that it is not necessary for all three of visual, aural and conceptual similarity to be present for a likelihood of confusion to be made out, a finding of dissimilarity in respect of one or more of those components can negate any similarity in the other component(s). For the group of consumers who perceive the Applicant’s mark as “FIT”, there is a medium degree of visual similarity, but aural and conceptual dissimilarity. The Hearing Officer was entitled to decide, given those findings, that there was no likelihood of direct confusion amongst this group of consumers.

34. As for the proportion of consumers who do not perceive the Applicant’s mark as “FIT”, with regard to direct confusion, the Hearing Officer held, at paragraph 47:

“Moreover, I agree with the applicant’s argument that the element “F1” does not play an independent role within the overall impression of the contested mark; I do not believe that consumers would dissect the contested mark to analyse its various details.”

35. Given that analysis, which is not challenged in this appeal, I consider that the Hearing Officer was also entitled to find that there is no likelihood of direct confusion amongst this second group of consumers either, for the reasons set out in his paragraphs 47-48.

36. I shall address the position regarding indirect confusion in the next section.

(f) The illogical finding that there is no likelihood of confusion on the basis that there would be no indirect confusion

37. The alleged illogicality of the finding of no likelihood of indirect confusion is said to be a consequence of the Hearing Officer’s acceptance of a medium degree of visual and phonetic similarity, identical and highly similar services, an average degree of attention, and a medium level of inherent distinctiveness in the appellant’s earlier mark.

38. The Opponent relies on the Appointed Person's (Mr Iain Purvis Q.C.) comments in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10. In that decision, the Appointed Person said:

"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."

Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI" etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ("FAT FACE" to "BRAT FACE" for example)."

39. It is clear from the wording "tend to fall into one or more of three categories" that Iain Purvis QC was not intending to lay down an exhaustive list of the circumstances in which a finding of indirect confusion may be made. However, the Opponent does not suggest, in the Grounds of Appeal or its skeleton argument, that this particular dispute falls into any category other than the three listed by Iain Purvis QC. Rather, the Opponent contends simply that the Hearing Officer's analysis was clearly incorrect. Accordingly, I shall review the Hearing Officer's findings against each of the three categories identified by Iain Purvis QC.

40. With regard to category (a), the Hearing Officer said at paragraph 51 that "This element [i.e. F1] is not so strikingly distinctive that consumers would assume that only the opponent would be using it in a trade mark". As I explain at paragraphs 15-17 above, in the absence of evidence of acquired distinctiveness from the Opponent, the Hearing Officer proceeded on the basis that the earlier mark has only a medium degree of distinctive character. In light of that unchallenged finding, it cannot be said that the Hearing Officer was wrong in finding that the Applicant's mark does not fall within the category of marks which are "so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using".

41. With regard to category (b), the Hearing officer said at paragraph 51 that “Furthermore, the addition of a letter “T” to the seemingly arbitrary characters “F1” is neither simply adding a non-distinctive element to the earlier mark nor is it characteristic of any brand extensions with which consumers would be familiar”. In my view, the Hearing Officer was correct to i) regard the letter “T” as no more and no less distinctive than the characters “F1”, and ii) reject the notion that the letter “T” is characteristic of a brand extension.
42. Finally, as for category (c), the Hearing Officer’s finding that the letter “T” is not characteristic of a brand extension gives support to his rejection of the notion that the addition of the letter “T” is “entirely logical and consistent with a brand extension”.
43. Accordingly, the Hearing Officer was entitled to find no likelihood of indirect confusion, and the challenge to this particular finding must fail.

(g) Finding that ‘some’ consumers will perceive the contested mark to be alluding to FIT rather than F1T

44. At paragraph 31, the Hearing Officer said:

“Given the services for which the application has been made, I am somewhat sympathetic to the applicant’s argument that its mark would be pronounced as the word (“FIT”); however, while I consider this a possibility for some consumers, I do not accept that this would be the case for all consumers.”

45. The question over whether there is a “single meaning rule” in trade mark law was considered at length by Arnold J in *Interflora v Marks & Spencer* [2013] EWHC 1291 (Ch) at paragraphs 213-224. Arnold J rejected the notion that there is a single meaning rule, stating at paragraph 224 that the question as to whether there is a likelihood of confusion:

“... is not a binary question: is the average consumer confused or is the average consumer not confused? Rather, it requires an assessment of whether it is likely that there is, or will be, confusion, applying the standard of perspicacity of the average consumer. It is clear from the case law that this does not mean likely in the sense of more probable than not. Rather, it means sufficiently likely to warrant the court's intervention. The fact that many consumers of whom the average consumer is representative would not be confused does not mean that the question whether there is a likelihood of confusion is to be answered in the negative if a significant number would be confused”.

46. On appeal ([2014] EWCA Civ 1403), Kitchin LJ reviewed the authorities at paragraphs 107-130 and agreed with Arnold J that the average consumer test did not embody a “single meaning” rule, and that it can be sufficient for a finding of infringement that only a substantial proportion of relevant consumers are considered to be confused:

“129. ...we do not accept that a finding of infringement is precluded by a finding that many consumers, of whom the average consumer is representative, would not be confused. To the contrary, if, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then we believe it may properly find infringement.

130. In answering this question we consider the judge was entitled to have regard to the effect of the advertisements upon a significant section of the relevant class of consumers,

and he was not barred from finding infringement by a determination that the majority of consumers were not confused.”

47. Accordingly, the Hearing Officer was not incorrect to consider that two different subsets of consumers may perceive the Applicant’s mark in different ways, and to analyse the issue of likelihood of confusion from the perspective of both subsets. At paragraph 32, he held that the consumers who perceive the Applicant’s mark as a conceptually neutral combination of a numeral placed between two letters from the English language, i.e. those who do not perceive it as “FIT”, comprised a “significant group of consumers”.
48. Had the Hearing Officer made a finding of a likelihood of confusion amongst the consumers who perceived the Applicant’s mark as conceptually neutral, his finding that such consumers were a “significant group” would almost inevitably have meant the opposition succeeded. However, the Hearing Officer carefully considered the likelihood of confusion from the perspective of both groups, and concluded that neither were likely to be confused, either directly or indirectly.
49. Accordingly, the Hearing Officer’s approach to this issue was in line with authority. There is no error of principle, and the Hearing Officer was entitled to make the findings he did.

(a) Failure to apply the global appreciation test correctly when assessing the likelihood of confusion under Section 5(2)(b) TMA 1994

50. The Opponent contends, in terms, that the Hearing Officer’s ultimate decision that there is no likelihood of confusion is a *non sequitur* in light of his findings as to identity of services/similarity of marks etc. The Opponent relies, in particular, on “accepted norms based on the established case law for section 5(2)(b)”, and also on the EUIPO’s Guidelines for the examination of European Union trade marks: Part C: Opposition, Section 2: Double identity and likelihood of confusion, Chapter 7: Global assessment, subchapter 2, paragraph 5, page 955, and the “*rule of thumb*” for assessing a likelihood of confusion, namely:

“... as a rule of thumb it can be said that when there is an average degree of similarity between the signs and between the goods or services, the degree of attention of the relevant public is average and the earlier mark has a normal distinctiveness, there will be a likelihood of confusion.”

51. The Hearing Officer made findings of identical/highly similar services, a medium degree of visual and aural similarity, a medium level of inherent distinctive character, and an average level of attention on the part of the public. The Opponent does not contend that a likelihood of confusion must necessarily follow from such findings. Rather, it contends that the Hearing Officer’s findings give rise to a *prima facie* likelihood of confusion, which can be displaced only if there are cogent reasons to do so. It further contends that there are no such reasons, because the Hearing Officer’s reasoning for deciding there was no likelihood of confusion does not withstand scrutiny.
52. I have dealt with the Opponent’s various criticisms of the Hearing Officer’s analysis of the likelihood of confusion, and concluded that the criticisms are not made out. Nonetheless, I should at this stage stand back and ask myself whether the Hearing Officer’s decision that there is no likelihood of confusion, notwithstanding his findings as to identity of services/similarity of marks etc, is one that was open to him on the facts.
53. In my view, the Hearing Officer’s decision was open to him on the facts. In particular, once it is recognised that the earlier mark has only a medium degree of distinctive character, consisting

as it does of a conceptually neutral combination of a letter from the English language and a numeral, a decision that there is no likelihood of confusion is one that is reasonable to make. To test this proposition, I ask myself whether, had the earlier mark been a different combination of a letter and numeral, such as **G2**, would the addition of the letter “T” to yield **G2T** inevitably give rise to a likelihood of confusion? Whereas “G2T” does not, unlike “F1T”, potentially spell a word, the Opponent’s case is at its strongest when considering the subset of consumers who do not perceive “F1T” as a word. For that subset of consumers, G2 is therefore directly comparable to F1.

54. In my view, the addition of the letter “T” to G2 would not inevitably give rise to a likelihood of confusion – the answer would require a detailed analysis of the various factors laid down in the case law, and would require the Hearing Officer to balance the various factors to arrive at his final decision. That is precisely what the Hearing Officer did, and in doing so he concluded there is no likelihood of confusion.

Conclusion

55. Taking into account everything I refer to above, I detect no error of principle in the Hearing Officer’s decision. The overall decision, and the findings in relation to each of the sub-issues, were all ones which the Hearing Officer was entitled to make on the facts before him. Accordingly, the appeal must be dismissed.

Costs

56. The Applicant seeks an award of costs off the scale, on the following basis:
- (a) The Respondent is trying to establish a business in good faith and with honest intent and is trying to obtain trade mark protection from the outset in order to trade with security.
 - (b) Following the Opposition Decision, the Appeal is considered to be vexatious, as the Respondent has had to find yet further funds to defend the Application following the perfectly reasonable and considered judgment of the Hearing Officer which, it is submitted, should not lend itself to any grounds for an appeal, the filing of which, it is respectfully submitted, is without any basis.
57. I am unable to understand the relevance of the first basis to an application for costs off the scale. As to the second basis, the Respondent’s representative confirmed during the appeal hearing that the word “vexatious” was used in the sense that the appeal was wholly without merit. I am unable to agree. This appeal has not been straightforward to decide - as I said to the parties’ representatives at the end of the hearing, I had not at that stage made up my mind as to my decision, and only decided to reject the appeal following careful re-reading of the parties’ skeleton arguments in light of the oral submissions. Accordingly, whilst the appeal has failed, it cannot properly be said to have been made without a reasonable basis.
58. I order that the Opponent should pay the Applicant a further £500 by way of costs, comprising:
- Considering Notice of Appeal: £200
 - Preparing skeleton argument and attending hearing: £300.

Dr. Brian Whitehead

6 January 2021

Representation

Mr Chris McLeod, Elkington & Fife LLP for the Opponent/Appellant

Mr Tim Rose, Wilson Gunn for the Applicant/Respondent