

**BL O/0368/23**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK REGISTRATION NO. UK00003360333 IN  
THE NAME OF PENINSULA BUSINESS SERVICES LIMITED**

**AND**

**IN THE MATTER OF AN APPLICATION FOR A DECLARATION OF  
INVALIDITY THERETO UNDER NO. CA000503742 IN THE NAME OF  
FACE2FACEHR PARTNERS LIMITED**

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**DECISION**

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**Introduction**

1. This is an appeal against a Decision of John Williams, acting on behalf of the Registrar of Trade Marks, dated 25 October 2022 (O-927-22)(“*the Decision*”). In the Decision the Hearing Officer allowed the application for cancellation by face2faceHR Partners Limited (“*the cancellation applicant*”) of Trade Mark Registration No. UK00003360333 in the name of Peninsula Business Services Limited (“*the registered proprietor*”).

2. On 12 December 2018 the registered proprietor applied to register:

**Peninsula Face2Face**

3. It was registered under the number UK00003360333 on 3 May 2019 (“*the mark*”) in respect of the following services in Class 35:

Human resources consultancy; Human resources consultation;  
Business consultancy; Business consultancy services; Business  
consultancy to firms; Business consultancy to individuals;  
Business consultation; Business consultation services.

4. On 25 April 2021 the cancellation applicant applied to have the mark declared invalid across the entirety of the specification under section 47(2) of the Trade Marks Act (“*the 1994 Act*”) on the basis of sections 5(2)(b) and 5(3) of the 1994 Act.

5. For the purposes of sections 5(2)(b) and 5(3) the cancellation applicant relied upon Trade Mark No. UK00003247616 (“*the earlier mark*”) for:

face2faceHR

6. This mark was applied for on 1 August 2017 and registered on 15 June 2018 with respect to the following services in Class 35:

Human resources consultancy, Human resources consultation;  
Human resources management.

7. The cancellation applicant claimed a reputation for the purposes of section 5(3) with respect to all the services for which the mark was registered.
8. The registered proprietor denied all the grounds of invalidity.
9. Both parties filed evidence and both parties filed written submissions in lieu of a hearing.

### **The Hearing Officer's Decision**

10. In his Decision the Hearing Officer the first considered the application under section 5(2)(b). In reaching his conclusion under section 5(2)(b) the Hearing Officer:
  - (1) Compared the respective marks in paragraphs [24] to [30] of his Decision and found as follows:

24. The cancellation applicant's mark is a figurative mark in blue with "face2faceHR" as all one word, but the "face2face" part is written in an all lower case stylised font as if handwritten (with the "2" in bold) and "HR" is in bold block capitals. The words are partially reproduced in faint text below as if reflected in water. There is also a green leaf above the text in between the "e" and the "H". There is a remote possibility that the as-if-handwritten "2" could be seen as a "Z", but it would not be seen as such by a significant proportion of average consumers and in any event neither party regards the phrase that is common to both marks as anything other than "face2face"/"Face2Face". The element "face2face" will be read as a unit given that it will be perceived as the well-known phrase "face to face", while "HR" would be read as a well-known abbreviation for "Human Resources". HR is less distinctive than "face2face" because it is descriptive of the registered services, all of which are HR services. The words in the mark play a more dominant role in the overall impression than that played by the stylisation and the decorative element.

25. The registered proprietor's word mark is "Peninsula Face2Face". The mark as a whole could be rendered in the same colour as that used in the cancellation

applicant's mark and the phrase "Face2Face" could be presented in all lower case. The element "Face2Face" will be read as a unit given that it will be perceived as the well-known phrase "face to face". The words in the registered proprietor's mark are the only things that contribute to the overall impression, but the word "Peninsula" is the marginally more dominant and distinctive element. This is because the word "Peninsula" is the first word in the mark that the average consumer, reading left to right, will see and it is more distinctive in the context of the services for which the registered proprietor's mark is registered than the phrase "Face2Face".

26. Visually, one mark contains stylistic and decorative elements, while the other is a plain word. The marks also differ in that, while the marks share the common phrase "face2face"/"Face2Face", the cancellation applicant's mark has the two letters "HR" at the end, while the registered proprietor's mark contains the word "Peninsula" at the beginning which is absent from the cancellation applicant's mark. The marks are of medium visual similarity.

27. Aurally, the cancellation applicant's mark is "FACE-TUH-FACE-AITCH-AH" and the registered proprietor's mark is "PEN-INCE-SHULA FACE-TUHFACE. The marks are of medium aural similarity.

28. In the cancellation applicant's mark, the beginning part of it is the phrase "face2face" which will be understood as meaning "face to face", the Collins online dictionary explaining that, "If you come face to face with someone, you meet them and can talk to them or look at them directly." Consequently, this part of the mark gives rise to the concept of meeting people and talking to them or looking at them directly. "HR" stands for "Human Resources" which are the services for which the cancellation applicant's mark is registered.

29. In the registered proprietor's mark, a "Peninsula" is "a long narrow piece of land which sticks out from a larger piece of land and is almost completely surrounded by water" while "Face2Face" gives rise to the concept of meeting people and talking to them or looking at them directly.

30. Conceptually, I find the marks to be of medium similarity.

- (2) With respect to the distinctive character of the earlier mark (footnotes excluded) found that:

33. The phrase “face2face” in the earlier mark denotes the well-known phrase made up of the dictionary words “face to face”. While this could be seen as a mild allusion to the way the registered human resources services are delivered, that of meeting face to face, such an activity is part of many trade activities and so I view the phrase as falling in the middle of the range between those words that are directly suggestive of particular goods or services and invented words. While the “HR” element of the mark is purely descriptive, overall, I find the mark to be of medium inherent distinctive character. The additional figurative and decorative elements present in the mark do not alter this finding.

34. I bear in mind that the degree of distinctiveness of the earlier mark is only likely to be significant to the extent that it relates to the point of commonality between the marks, the phrase “face2face”/ “Face2Face”. To that extent, I confirm that my view is that that the phrase alone is inherently distinctive to a medium degree.

- (3) With respect to the comparison of the specified services of the respective trade marks found that they were identical or highly similar: see paragraphs [41] to [44] of the Decision.
- (4) Found that the average consumer would be a professional person or business in search of short-term or medium to long term support in the field of human resources and business consultancy who would pay a slightly above average degree of attention: see paragraph [46] of the Decision.
- (5) Held that there was a likelihood of direct confusion:

50. The cancellation applicant’s mark has the two letters “HR” at the end, while the registered proprietor’s mark contains the word “Peninsula” which is absent from the cancellation applicant’s mark. However, “HR” is purely descriptive and its impact in the overall impression of the mark is minimal. While “Peninsula” is marginally more dominant within the registered proprietor’s mark as a whole, the shared well-known phrase “face2face”/“Face2Face” is independently distinctive and will be recollected independently from the element “Peninsula”. In my view, given the identity or high similarity of the services and the presence in both marks of the identical phrase face2face”/“Face2Face”, it is

likely that one mark will get tangled up with the other in the mind of the average consumer, taking into account the principle of imperfect recollection. There is a likelihood of direct confusion.

- (6) Held that there was a likelihood of indirect confusion:

53. The identical element “face2face”/“Face2Face” stands out as performing an independent distinctive role within the respective marks which are registered for identical or highly similar services. Notwithstanding the presence of the distinctive element “Peninsula” at the beginning of the registered proprietor’s mark, the common element “face2face”/“Face2Face” is likely to fix itself in the average consumers’ minds and act as an important hook in prompting their recall of the competing marks. In my view even if the relevant public were able to distinguish the marks, the similarities between them are such that they are likely to lead the average consumer to perceive the later mark as a sub-brand or extension of the earlier mark or that it came from a connected undertaking. My conclusion is therefore that there is a likelihood of indirect confusion

11. Having reached his conclusion under section 5(2)(b) the Hearing Officer then turned to consider the ground of invalidity based on section 5(3) of the 1994 Act: see paragraphs [55] to [60]. The Hearing Officer concluded at paragraph [61] that:

The cancellation applicant has not shown that the earlier mark has a reputation in the United Kingdom and the section 5(3) ground is dismissed.

12. As no Respondent’s Notice has been filed in the context of this appeal, I say no more about the Hearing Officer’s findings under section 5(3).

### **The appeal**

13. On 22 November 2022 a form TM55P together with Grounds of Appeal were filed on behalf of the registered proprietor. This was a relatively long document which included broad Grounds of Appeal followed by narrative including quotations from the Decision; case law and argument.

14. The Grounds of Appeal put forward on behalf of the registered proprietor were very broad namely that the Hearing Officer had made errors of principle in his assessments by:

- (1) Erring in failing to apply the global appreciation test correctly when assessing the likelihood of confusion under section 5(2)(b) of the 1994 Act.

- (2) Erring in failing to take proper account to the marks in issue in their entirety.
  - (3) Erring in correctly interpreting and applying the evidence filed by the parties in the invalidation.
15. However, whilst the Grounds of Appeal were drafted in very broad terms, as was made clear in the Skeleton of Argument filed on behalf of the registered proprietor and in the submissions made before me, the gravamen of the appeal was that the Hearing Officer had erred in his assessment of the inherent distinctiveness of the phrase ‘face2face’.
  16. No Respondent’s Notice was filed. The cancellation applicant maintained that the Decision was correct for the reasons that the Hearing Officer gave. It was further submitted that the Decision was not plainly wrong and that it was open to the Hearing Officer to reach the conclusion that he did.
  17. At the hearing of the appeal, which took place by video link, the registered proprietor was represented by Mr Tim Rose of Wilson Gunn and the cancellation applicant was represented by Mr Mark Deem, legal director of the cancellation applicant.

### **The Standard of Review on Appeal**

18. An appeal against decisions taken by the Registrar is by way of review. Neither surprise at a Hearing Officer’s conclusion, nor a belief that he or she has reached the wrong decision suffice to justify interference in this sort of appeal. Before that is warranted, it is necessary for me to be satisfied that there was a distinct and material error of principle in the decision in question or that the Hearing Officer was wrong. See Reef Trade Mark [2003] RPC 5; and Actavis Group PTC v. ICOS Corporation [2019] UKSC 1671 at [78] to [81].
19. Moreover, where the decision below involves the making of a value judgment the decision maker on appeal must be especially cautious about interfering with that judgment on appeal: see Actavis (above) at [80]:

80 What is a question of principle in this context? An error of principle is not confined to an error as to the law but extends to certain types of error in the application of a legal standard to the facts in an evaluation of those facts. What is the nature of such an evaluative error? In this case we are not concerned with any challenge to the trial judge’s conclusions of primary fact but with the correctness of the judge’s evaluation of the facts which he has found, in which he weighs a number of different factors against each other. This evaluative process is often a matter of degree upon which different judges can legitimately differ and an appellate court ought not to interfere unless it is satisfied that the judge’s conclusion is outside the bounds within which reasonable disagreement is possible:  
*Assicurazioni Generali SpA v Arab Insurance Group (Practice*

*Note*) [2002] EWCA Civ 1642; [2003] 1 WLR 577, paras 14-17 per Clarke LJ, a statement which the House of Lords approved in *Datec Electronic Holdings Ltd v United Parcels Service Ltd* [2007] UKHL 23; [2007] 1 WLR 1325, para 46 per Lord Mance.

20. The approach to appeals on what is, in substance a factual determination made from a legally correct perspective have been summarised in the decision of Geoffrey Hobbs KC sitting as the Appointed Person in TEDDYLICIOUS Trade Mark (O-0032-23) at paragraphs [19] and [20].
21. That this is the correct approach has been more recently confirmed in the judgment of Warby LJ in Riley v. Sivier [2023] EWCA Civ 71 at paragraph [13].
22. The general principles are not in dispute and I will bear the above principles firmly in mind in considering the issues before me.

### **Decision**

23. It is important to recognise from the outset that it is not suggested on behalf of the registered proprietor on this appeal that the Hearing Officer erred:
  - (1) In his identification of any of the legal principles to be applied to the assessment that he was required to make under section 5(2)(b) of the 1994 Act.
  - (2) In his identification of the relevant average consumer of the services in issue.
  - (3) In finding that the marks in issue were visually, aurally and conceptually similar to a medium degree. In this connection there was no criticism as far as the finding went, but it was nonetheless noted that such assessment did not take into account the lack of or low distinctive character of the phrase 'Face2Face'.
  - (4) In finding that the comparison of the specified services of the respective trade marks they were identical or highly similar.
24. Nor, quite correctly, is it suggested that either of the marks lack distinctive character. To do so would have been contrary to the judgment of the CJEU in Case C-196/11P Formula One Licensing BV v. EUIPO which makes clear that, unless subject to an invalidity attack, a registered trade mark cannot be said to lack distinctive character.
25. However, what is submitted is that the only common element between the marks in issue is the phrase 'Face2Face' and that the phrase 'Face2Face' lacks inherent distinctiveness or is distinctive to only a minimal degree. Indeed, it is maintained that the Hearing Officer himself accepted that 'Face2Face' lacked distinctive character.

26. The suggestion that in the Decision the Hearing Officer accepted in his Decision that the phrase ‘Face2Face’ lacked distinctive character is not correct. It is apparent from paragraphs [33] and [34] Decision (quoted above) that that was not the position of the Hearing Officer.
27. However, it is also the case that the Hearing Officer, in my view correctly found, that:
- (1) The phrase ‘Face2Face’ would be read as a unit (paragraphs [24] and [25] of the Decision);
  - (2) The phrase ‘Face2Face’ would be understood as meaning “face to face” (paragraphs [24], [25] and [33] of the Decision);
  - (3) “face to face” is a well-known phrase (paragraphs [24], [25], [33] and [50] of the Decision); and is made up of ordinary dictionary words (paragraph [33] of the Decision); and
  - (4) “face to face” gives rise to the concept of meeting people and talking to them or looking at them directly on the basis of the Collins online dictionary entry (paragraph [28] of the Decision).
28. According to the case law, for the purposes of assessing distinctive character of an element making up a mark, an assessment must be made of the greater or lesser capacity of that element to identify the goods or services for which the mark is registered as coming from a particular undertaking, and thus to distinguish those goods and services from those of other undertakings. In particular, account must be taken of the inherent characteristics of the element of question in the light of whether it is at all descriptive of the goods and services for which the mark has been registered. That this is the correct approach was recognised by the Hearing Officer in his citation of Case C-342/97 Lloyd Schufabrik Meyer & Co GmbH in paragraph [31] of the Decision.
29. In paragraph [33] of the Decision the Hearing Officer found that the phrase “face to face” could be seen as ‘*a mild allusion to the way the registered human resources are delivered, that of meeting face to face, such an activity is part of many trade activities and so I view the phrase as falling in the middle of the range between those words that are directly suggestive of particular goods or services and invented words.*’
30. In making this finding the Hearing Officer fell into error. First, in so far as the Hearing Officer made any assessment of distinctive character based on other ‘*trade activities*’ he should not have done so.
31. Second, the Hearing Officer does not seem to have had regard to his own findings, set out in paragraph 26 above, or to have had due regard for the characteristics of the services of the kind specified in the registration might optionally possess (see the

decision of Geoffrey Hobbs QC in NMSI Trading Ltd's Trade Mark Application [2012] RPC 7 at [15]).

32. It seems to me that there was an error in the assessment of the distinctive character of the “face2face” element of the earlier mark there being a lack of consistency and/or logic in the findings of the Hearing Officer.
33. On the basis of the findings of the Hearing Officer, as to the meaning of the phrase “face to face”, it seems to me that the term is properly to be regarded as descriptive of an optional characteristic of the services specified. Indeed, the Hearing Officer himself recognised that the specified services could be provided “face to face”. Moreover, it seems to me that the fact that specified services can be or are provided “face to face” may be regarded as a desirable feature so there is no need for further explanation of the descriptiveness.
34. It the premises, it seems to me that the cancellation applicant is correct in its submission that there is no or at its highest a low distinctive character in the ‘face2face’ element of the earlier mark.
35. Further in this connection, it is said that the Hearing Officer misunderstood the purpose of the evidence filed on behalf of the registered proprietor with regard to what was said on this appeal to have been filed to demonstrate that the phrase “face to face” is in fact capable of being used purely descriptively.
36. At paragraph [35] of the Decision the Hearing Officer set out his findings with respect to this evidence as follows:

35. I note that Mr Mati, in filing as his Exhibit 1 evidence of Google search results using the term “face to face HR”, says that such search results are “intended to demonstrate and reflect the relatively widespread use of the term face to face in conjunction with HR within the context of providing human resources services.” The exhibit shows extracts from various websites which refers to HR services being provided “face-to-face” including the following phrases: “face-to-face meetings”, “face-to-face HR support”, “courses run remotely or face-to-face”, “flexible and hoc advice, face-to-face, by email or by phone”, “cases to be discussed face-to-face”, “face-to-face training at your location”. The first issue with this evidence is that it is undated (albeit the witness statement says that the results date from “no later than 28 April 2022”) and does not show use of the phrase “face to face” in a trade mark sense. Second, the evidence does not offer any indication of the extent to which those companies featured use the relevant terms in the course of their day-to-day business. Nor does the evidence show what significance these third-party traders have within the marketplace as a whole. There is nothing to show what impact the use of these terms will have had on the average consumer

and whether they have become accustomed to seeing the phrase “face to face” in the marketplace for HR services.

Consequently, the evidence does not demonstrate that the distinctive character of the element which is common to the two marks - face2face”/“Face2Face (sic) - has been weakened because of its frequent use in the field concerned at the relevant date.

37. It seems to me that there is force in the complaint made on this appeal by the registered proprietor that the evidence was not filed in support of any claim that the phrase “face to face” was being used ‘*in a trade mark sense*’ and that any complaint by the Hearing Officer with respect to the evidence filed on that basis was without foundation.
38. In my view it is clear that such evidence was filed by the registered proprietor for the purpose of demonstrating the use of the phrase “face to face” in the context of the provision of human resource services. That such services could be delivered in such a way was something that the Hearing Officer himself had acknowledged in paragraph [33] of his Decision.
39. It seems to me that in so far as it went, such evidence provides further support of the view which I have reached with regards to the phrase “face to face”. However, that view is one that I would have reached even in the absence of such evidence.
40. Given the error with regard to the assessment of the distinctiveness of the “face2face” element of the earlier mark it is necessary for me to go on to consider the effect of such a finding on the Hearing Officer’s Decision.
41. In that connection, there is no dispute on this appeal that there is some similarity between the marks in issue such that it is necessary for me to consider the likelihood of confusion. Nor is there any dispute that the Hearing Officer correctly identified the legal principles applicable to the assessment of the likelihood or confusion.
42. Moreover, there is no dispute that:
  - (1) The only common element of the marks in issue is “face2face”/“Face2Face”;
  - (2) The mark contains the word “Peninsula” as to which there is no suggestion that it is descriptive of any of the services specified;
  - (3) The “HR” element in the earlier mark is purely descriptive;
  - (4) As the Hearing Officer found the figurative/decorative elements of the earlier mark were not such as to alter the distinctive character of the earlier mark; and
  - (5) The services in issue were identical or highly similar.

43. The question of the approach to assessment of the likelihood of confusion in circumstances where the only common element between the marks or signs in issue has no or low distinctiveness has been considered in a number of cases including Whyte and Mackay v. Origin [2015] EWHC 1271 (Ch) (Arnold J. as he then was) at paragraphs [43] to [45]; and Nicoventures Holdings Limited v. The London Vape Co Ltd [2017] EWHC 3393 (Ch) (Birss J. (as he then was) at [20] to [27]. Further guidance can also be found in the Common Communication on the Common Practice of Relative Grounds of Refusal – Likelihood of Confusion (impact of non-distinctive/weak components) dated 2 October 2014 issued the European Trade Mark and Design Network<sup>1</sup> which is referred to in the case law.
44. Taking the guidance from the case law, in circumstances where for present purposes there is no claim to acquired distinctive character and the services are identical or highly similar, the approach can be summarised as follows:
- (1) The distinctiveness of the mark as a whole must be assessed, taking into account that a minimum degree of distinctiveness must be acknowledged.
  - (2) The distinctiveness of each of the components of both marks must be assessed with priority being given to the coinciding elements.
  - (3) The focus of the assessment of the likelihood of confusion should be on the impact of the non-coinciding components on the overall impression of the mark.
  - (4) Account must be taken of the similarities/differences in the non-coinciding elements of the marks.
  - (5) A coincidence of an element with a low level of distinctiveness will not usually lead to a likelihood of confusion.
  - (6) There may be a finding of a likelihood of confusion if (a) the non-coinciding elements of the mark are of lower (or equally low) degree of distinctiveness or are of insignificant visual impact and the overall impression is similar; or (b) the overall impression of the marks is highly similar or identical.
45. Having regard to the guidance referred to above it seems to me that there is no likelihood of confusion (whether direct or indirect) in the present case. My reasons for this are as follows:
- (1) The distinctiveness of the earlier mark as a whole is low for the reasons set out above and below, taking into account that a minimum degree of distinctiveness must be acknowledged.

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<sup>1</sup> [en\\_common\\_communication.pdf \(tmdn.org\)](https://www.tmdn.org/en_common_communication.pdf)

- (2) For the reasons set out above the distinctiveness of the only coinciding element “face2face”/”Face2face” is low at its highest.
  - (3) With respect to the earlier mark, as found by the Hearing Officer with respect to the non-coinciding elements, the other word element “HR” is entirely descriptive; and the figurative/decorative elements do not alter the distinctive character.
  - (4) With respect to the mark, as found by the Hearing Officer with respect to the non-coinciding elements, the word “Peninsula” is distinctive and moreover is present at the beginning of the mark and for that reason is more dominant. That is to say the word “Peninsula” has a significant visual impact such that the overall impression is distinctively different from the earlier mark.
  - (5) Even on the basis of his own findings the Hearing Officer did not regard the overall impression of the marks as highly similar or identical.
46. Lastly complaint is made with regard to the Hearing Officer’s approach to the evidence of confusion that was filed on behalf of the cancellation applicant. With regard to this evidence, the registered proprietor submits that this has little if any probative value. I agree. It seems to me having considered the evidence that most if not all of the evidence of ‘confusion’ that was relied upon by the cancellation applicant appeared to arise as a result of the registered proprietor failing to use the mark as registered i.e., without the word “Peninsula”. That is to say it was not relevant to the issues that were before me but rather part of what appears from the evidence to be a wider dispute as between the parties.
47. As there was no Respondent’s Notice filed on this appeal, I need say no about this point save to say that I note that the Hearing Officer who gave little weight to it (see paragraph [54] of the Decision).

### **Conclusion**

48. For the reasons set out above the appeal is allowed. The application for a declaration of invalidity under CA000503742 is accordingly refused.
49. Given that the registered proprietor has been successful on this appeal it is entitled to a contribution towards its costs. I will therefore make an order that the cancellation applicant pay to the registered proprietor a contribution of £1,500 towards its costs of the appeal.
50. I therefore order face2faceHR Partners Limited to pay to Peninsula Business Services Limited the sum of £1,500 by 4 pm on Tuesday 9 May 2023.

EMMA HIMSWORTH KC  
Appointed Person  
18April 2023