

O-037-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2476513
BY WEBCANVAS DOT-COM LTD TO REGISTER THE TRADE MARK**

WebCanvas

IN CLASSES 9, 16, 25, 36, 41 AND 42

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 97135
BY ACD SYSTEMS OF AMERICA INC**

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By WebCanvas dot-com Ltd to register the trade mark**

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**IN THE MATTER OF Opposition thereto under No. 97135
by ACD Systems of America Inc**

BACKGROUND

1. On 9th January 2008, WebCanvas dot-com Ltd of 18 Elvaston Place, South Kensington, London, SW7 5QF (hereafter "Web") applied to register the mark, "WebCanvas", in a variety of Classes. The Classes under attack in these proceedings are Classes 9 and 16. Following an amendment to the specification in Class 9, the relevant goods for my purposes are as follows:

Class 9

Apparatus for computer aided design; apparatus for recording, transmission or reproduction of sound or images; data processing equipment and computers; computer software downloadable from the Internet for use in a Web 2.0 application for creating and manipulating images on a web page.

Class 16:

Photographs; instructional and teaching material.

2. The application was published on 7th March 2008 and on 15th May 2008 ACD Systems of America, Inc of 9th Floor, 5201 Blue Lagoon Drive, Miami, Florida 33126-2065, USA (hereafter "ACD") lodged an opposition against the goods specified above. At the time of opposition however, the Class 9 specification was in its unamended state.
3. The sole ground of opposition is section 5(2)(b) of the Trade Marks Act 1994 (hereafter "the Act"), a further ground of opposition under section 3(6) having been withdrawn. ACD cite one earlier mark in its ownership, the details of which are as follows:

Mark	Filing and registration dates	Goods and services relied upon under section 5(2)(b)
CTM 3781622 CANVAS	4 th May 2004 and 28 th July 2005	Class 9 Computer software for use in graphic design, desktop publishing, digital and electronic publishing, for preparing audiovisual materials in support of presentations, printing, preparing graphics, typesetting, preparing artistic, technical and scientific drawings and annotations, creating fonts, typefaces, and special graphical and textual effects; computer software for viewing, creating and manipulating graphic images on a computer; computer software containing clip art, and typefaces. Class 16: Printed publications; user manuals and instructional books for use with software.

4. ACD say, in summary, the element 'Canvas' is the distinctive, dominant element in Web's application. The prefix "Web" would be considered by the average consumer of computer software as a reference to the Internet. Thus, 'WebCanvas' would simply be seen as a Web version of a CANVAS product. The relevant goods are identical or closely related, given the essential presence or utility of software in the operation of goods which may not be considered identical to those of ACD. Given the identities of the respective marks and goods, a likelihood of confusion would arise. ACD also say they are aware of the applicant's actual use of the mark, the subject of the application at WebCanvas.com, and wish to expressly assert that it is not that use which would lead to confusion but the use which the applicant could, but does not currently make, on goods within the specification filed. They also say that the opposition is not directed to computer 'hardware' items.
5. Web filed a detailed counterstatement denying the grounds of opposition. At this point I should say that Web do not appear to have legal representation in these proceedings and all correspondence and evidence comes from Dr Antonio Roldao Lopes, who is founder and CEO of WebCanvas dot-com. He

says that, etymologically, his mark derives from an amalgam of two words; 'web' because his product is genuinely and entirely dependent on the Web, and 'canvas', being a 'piece of fabric on which a painting is performed', ie an artist's canvas. This meaning of 'canvas' in his mark is different from, antecedes, and is far more common than the opponent's meaning, says Dr Lopes. He then says there is no clear justification for saying the 'Canvas' is the dominant element in the mark 'WebCanvas'. On the contrary, Web contributes equally to overall distinctiveness, and trade marks are not case sensitive and so the capital letter 'C' in WebCanvas ought not to be taken to designate a clear divide between the 'elements' 'web' and 'canvas'.

6. Dr Lopes recognises however that the word 'web' would be seen by the average consumer of computer software as a reference to the internet. But, he says, in *his* particular application, the word 'web' does not function as a prefix to an existing product or concept, but instead is used to brand an entirely new product/concept that entirely depends and employs Web 2.0 technology and, accordingly, cannot exist in non-web related form. The assertion that an average consumer would expect 'WebCanvas' to be a 'web' version of a 'canvas' product is, according to Dr Lopes, unsubstantiated. Furthermore he says that in internet usage, including through search engines, it is more likely that the average consumer would make an association with the dictionary definition of the word 'canvas' than with the CANVAS product. Also, that searching the word 'webcanvas' through a search engine is more likely to return details of the applicant's concept or product which can be found at www.WebCanvas.com. The remainder of the counterstatement details attempts at finding a settlement prior to, and during, proceedings (which no doubt were behind the amendment to his Class 9 specification), as well as providing further background to the applicant's product for which a patent has been applied, and a firm rebuttal that the applicant has in any way acted in bad faith.
7. Evidence has been filed by both parties, the salient facts of which I shall try to summarise below. I also recognise that much of what has been put in evidence is, in fact, submission. I will try to separate the two and deal with submissions in the main body of the decision, following the evidence summary. Neither party has requested a hearing and instead, both parties are content for a decision to be issued based on the papers. Neither party seeks costs.

Opponent's evidence

8. This takes the form of a witness statement dated 27th February 2009 by Mark Franklin, who is Executive Vice President of ACD. He says the CANVAS product was first launched in 1987 by Deneba Systems as an illustration software application, and first sold in the UK in 1988. Currently at Version 11, CANVAS is an integrated graphics tool allowing users to work with a variety

of graphics formats, including vector, raster and text based items. Users can publish these documents to a broad range of mediums, including paper, electronic and web based formats. The CANVAS software is a widely used tool in both the creation and conversion of technical graphics into formats that are commonly accepted as web graphics standards (.jpg, .gif, .html, .svg, etc). Currently the CANVAS product is distributed in the UK by Avanquest UK Ltd ("Avanquest"), through Avanquest's distributors and resellers for the retail and volume licensing channels. Prior distributors include Guildsoft Ltd (1999-2001) and Janson Computers PLC (trading as Computers Unlimited) (2001-2004). The Douglas Stewart Company, one of the leading distributor and marketer of computer products and consumer electronics in the education sector has also marketed the CANVAS product to secondary schools in the UK through its UK subsidiary, The Douglas Stewart EDU Ltd ("Douglas Stewart").

9. In addition to sales through Avanquest and Douglas Stewart, Mr Franklin's company also distributes volume licenses of the CANVAS software to corporate entities in the UK through direct sales. ACD's parent company also distributes single user licenses to individual users of the software in the UK via their website.
10. His company has issued 54,815 unique serial numbers concerning use of the CANVAS software product within the UK. Of those 54,815 licenses, 41 are multi-user licenses, with the number of users of each license ranging from 2 to 100. Standing enterprise agreements exist with multi national companies such as BP, Shell Oil and the Boeing Company granting enterprise licenses. Exhibit MF2 comprises sample datasheets containing information of the CANVAS licenses issued in the UK.
11. During the period March 26th 1993 – February 25th 2009, the total amount of sales of the CANVAS product in the UK amounted to \$894,991.40. This figure does not include revenue from the multi-national enterprise licenses.
12. Exhibit MF3 comprises selected promotional material for the CANVAS product from ACD's website. This website is accessible to surfers of UK domains. This material shows the CANVAS product in boxed version and explains that it provides an integrated solution for the creation, enhancement, presentation and sharing of technical illustrations and graphics. It is capable of importing from over 100 standard file formats (including PDF, DXF and DWG). Amongst its advantages, it boasts a CGM engine compliant with both the Aviation Transportation Authority and Petroleum Industry Protocol. Between 2004-2006 the CANVAS product was actively promoted in the UK. These marketing efforts were undertaken primarily by the Company's UK distributors at the time, and Mr Franklin does not have access to copies of the relevant advertising materials but says he is confident that such marketing took place.

13. Exhibit MF4 shows selected third party material relating to the CANVAS product, including reviews within the UK by MacUser, Computer Arts, PC Magazine, Digital Arts and Computer Active. The main competitor for CANVAS is CorelDraw™ and Adobellustrator™. At present, in the professional market for software tools for use in publishing, ACD occupies “the technical graphics space and have little competition for publishing these industry specific and technical formats (CGM-PIP, CGM-ATA, GIS, Seismic and others)”. Some of these reviews refer to the CANVAS ‘web features’, such as “the ability to create and save standard multipage websites, complete with internal and external URL links, you can use the program to generate image maps and export the lot to HTML, and even upload to an FTP site directly from within the program. There’s a lovely new Web Buttons palette for building Java rollovers....” Digital Arts Review of CANVAS 7.
14. Others speak of the product’s evolutionary nature, “CANVAS was launched by Deneba in the early 1990’s as a technical illustration program to work with, and complement CAD graphics. Since then it has grown into an integrated vector graphics, image editing and multi page layout package, though still with the emphasis on CAD import for technical drawings. Today, there are different versions available for different niche markets – there’s a scientific imaging version available and a GIS version as well.” Digital Arts Review of CANVAS X.
15. Mr Franklin says his company has projects in hand allowing users to use the CANVAS product via a web interface, and that he did not understand that a further trade mark application was required in order to cover those usages and applications. With the ability of the applicant’s product to create and manipulate images, he is of the view that the application ‘overlaps’ with the CANVAS product such that a likelihood of confusion may arise. The applicant’s product is not simply an entertainment product.
16. There is also a witness statement from Mr Riz Mohammed dated 3rd March 2009. He is a trainee trademark attorney with Filemot Technology Law Ltd, ACD’ s attorneys in these proceedings. At Exhibit RM1 he shows a printout of online traffic data relating to the ACDsee.com website mentioned in Mr Franklin’s witness statement. This data comes from research carried out by Mr Mohammed using the Alexa.com website on 26th and 27th February 2009. The data generated for the ACD web site and competitors dates back to August 2007. The competitors include ConceptdrawPRO™, DrawPLUS™, SmartDraw™ and CorelDraw™, all featured on their respective websites. As regards the ACD site, the data says that 1.5% of ACDsee users come from the UK. The main user countries are China and the US.

Applicant's evidence

17. This takes the form of three witness statements, two dated 25th May 2009 and one dated 15th December 2009 from Dr Antonio Roldao Lopes, founder and CEO of WebCanvas dot-com. These cover different aspects of the opposition and although much of the material is technical it is readily understandable, although evidence of fact needs to be separated from submission.
18. By way of background, in the first witness statement dated 25th May 2009, Dr Lopes explains the award-winning concept (and increasingly attracting global interest) behind 'WebCanvas', a concept for which the company he formed was intended to exploit. He explains that WebCanvas is totally dependant on Web 2.0 technology and uses those technologies entirely as its platform. WebCanvas allows, he says, web users to "express themselves individually, collaboratively or simply to observe other web users expressing themselves, in live or replay mode on a canvas that is theoretically boundless. This expression is directly automatically and instantaneously published on the Web, without requiring Web-users to generate image files and upload them using upload programs or Web upload programs, although this is optional". In a nutshell, WebCanvas operates as a massive real time, 'user generated' online 'graffitiboard' enabling, for example, collective and collaborative expression, in the form of digital painting or other graphical expression .
19. Exhibit ARL 2 is a printout of search results using GOOGLE™, YAHOO™ and MSN™, using the word 'WebCanvas' and showing that the WebCanvas concept housed at www.webcanvas.com is attributed the highest online relevancy. Exhibit ARL 8 is a further GOOGLE™ search showing the highest online relevance for the mark CANVAS to a site www.canvasholidays.co.uk. This contrasts with Exhibit ARL2, showing the highest online relevance to his site www.webcanvas.com when the word "webcanvas" is searched in GOOGLE™.
20. Exhibit ARL9 is a printout showing the word 'canvas', used descriptively in the context of software relating to HTML, the Java programming language. This printout shows the word 'canvas' used to define a piece of software "with the ability of creating and manipulating images". Based on this 'descriptive application' (my words), Dr Lopes says that it is unlikely that people would associate 'WebCanvas' with the opponents 'CANVAS' product, since the word canvas is, in effect, non-distinctive in a trade mark sense, having a 'descriptive meaning' as far as software with the ability to create and manipulate images is concerned.

DECISION

Section 5(2)(b)

21. Section 5(2) (b) of the Act reads:

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

(a).....

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

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

22. In the circumstances, and in particular given that Web is unrepresented, it may assist if two well established legal principles are set out by way of introduction, prior to moving onto an analysis of likelihood of confusion.

23. Firstly, the opponents have expressly said they do not believe that Web’s current and actual use at WebCanvas.com would lead to confusion with their own product, but what concerns them is possible use Web may yet make on goods which falls within the scope of Web’s specification. Not unnaturally, this has led Web to more closely defining the software product in its specification, in terms of its dependency upon Web 2.0 technology. The principle to note here is that in an opposition, it is not about what the respective parties are *actually* engaged in, or the nature of *actual* product or service the parties currently market. What matters is the *notional* scope of the parties’ respective specifications and, in theory then, what those specifications may cover. Plainly, the opponents are concerned that Web’s specification, even with its amendment, potentially ‘trespasses’ into the notional ‘footprint’ established by their own specification. In other words, as far as the opponent is concerned, the amendment does not serve to place any distance between those respective specifications; on the contrary, in purely notional, linguistic terms the problem of possible ‘trespass’ is still there.

24. Secondly, and following on from the theme of the notional assessment of likelihood of confusion, it is often the case that parties feel any ‘likelihood of confusion’ has to be demonstrated in fact, and the absence of any actual confusion is as strong an indication possible that no confusion is ever likely. The case law makes clear however that this is not necessarily the case (although it can be in limited circumstances where, for example, the respective marks appear to have been in close trading proximity). The Court

of Appeal in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at page 291, Laddie J in *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 at 809 and the Court of Appeal in *Phones 4U Ltd v Phone 4u. co. uk Internet Ltd* [2007] RPC 5 at paras 42 to 45.) In the first of the above cases Millet LJ stated:

“Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark.”

25. It should also be said on this point that earlier marks have a five year grace period before which they must be used or otherwise be subject to revocation or proof of use in an opposition. Plainly if the determining factor of *likelihood* of confusion is *actual* confusion, the effect of such a test would be to deny rights to any unused mark
26. With these words of introduction out of the way, I can now turn to my detailed decision. In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the Court of Justice of the European Union (“CJEU”) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) C-334/05 P* (LIMONCELLO). It is clear from these cases that:
- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,
 - (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,
 - (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,
 - (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions

created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(i) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,

(k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*

27. For the sake of completeness, I should just confirm that ACD's mark is, given its filing date of 4th May 2004, an earlier mark for the purposes of section 6 of the Act, and it is not therefore subject to proof of use requirements under section 6A of the Act.

The average consumer and nature of the purchase

28. The average end consumer for the bulk of both parties' Class 9 products at least will be, notionally, that section of the general public having a particular interest in computer aided design. But also the average end consumer for these products may well be businesses, especially where technical and scientific drawings are concerned, as in ACD's specification. ACD's products especially may be sold to professionals, for whom technical drawing is an essential part of their job, in addition to the general public. On that basis, the software sold by ACD may be relatively expensive. From the evidence, it certainly appears that ACD's products are, currently, (and this is not to say it was always the case) aimed at the specialist business market predominantly, rather than the interested public, but that is not to say that their business is exclusively aimed at the technical user. Certainly, in a notional sense, both specifications are broad enough to engage products of interest to both business and general, graphically-interested, user alike.

29. As far as the products in Class 16 are concerned, the specifications are broad enough to engage average consumers within a broad spectrum, ranging from those interested in printed publications and photographs at large, to those who consult software user manuals and other teaching and instructional printed matter.

30. Contrary to submissions by ACD's attorneys, I am not convinced that the nature of the purchase for all these types of goods places consumers 'at the least circumspect end of the range'. I would however agree, as I have said, that a range of product may be available within the terms of the respective specifications. Some downloadable software may, for example, be completely free of charge to the user and its choice or selection may be based on factors such as social trend or convenience (ie not based upon technical factors), and then used in something of an indiscriminate, everyday and random way. Whereas, other software, such as ACD's, may be reviewed and researched prior to purchase to ensure system compatibility and/or that it compares well with potential competitors.

31. Given the range of circumstances here, it would not be right to generalise about the nature of the 'purchasing act', except to accept a range of circumstances and products entailing a low level of circumspection in the purchasing act, through to a reasonable, even slightly above that, level of circumspection. It is also important to recognise that both parties' goods will not engage entirely different sets of average consumer; on the contrary there

will be 'cross-over', the 'linkage' being provided by common interest in graphical design and related software.

32. I will have to factor these observations into my overall assessment of likelihood of confusion.

Comparison of marks

33. The case law makes it clear I must undertake a full comparison of both marks in their totalities, taking account of all differences and similarities. The comparison needs to focus on the visual, aural and conceptual identities of both marks. The respective marks to be compared are as follows:

ACD's mark	Web's mark
CANVAS	WebCanvas

34. Visually, ACD's mark presents single, six letter, dictionary word mark, CANVAS, in capital letters. Web's mark presents also as a single word, 'WebCanvas'. Although the conjoined nature of the word raises a question mark as to whether it is a dictionary word or not, it nonetheless 'breaks down' (and the average consumer will undoubtedly break it down) into recognisable 'elements', being 'web' and 'canvas'. The fact the letter 'C' is in capitals, rather than lower case (unlike the other letters), amplifies the natural break between the two 'elements'. But, even without the mix of upper and lower case lettering, the average consumer would, in making sense of the conjoined word, break it down into its two recognisable, constituent 'elements'. Plainly, in a purely visual sense, the word 'canvas' is shared to both marks, being the sole word in ACD's mark and the second and longer element (or word) in Web's mark. On that basis, taking the similarities and dissimilarities into account, I consider that the respective marks are visually similar to a high degree.

35. Phonetically, ACD's mark will be pronounced with two syllables, 'CAN-VAS'. Web's mark will be pronounced as three syllables 'WEB CAN-VAS'. Although the first syllable in Web's mark is not present in ACD's mark, there can be no question that all syllables in both marks will be audibly enunciated and not 'lost', 'slurred' or otherwise diminished in speech. On that basis, taking the similarities and dissimilarities into account I consider the respective marks to be phonetically similar to a high degree.

36. Conceptually, both marks share the word 'canvas'. This word has a number of dictionary meanings, both noun and verb:

“→ **noun**

[mass noun] (pl. **canvases** or **canvasses**) a strong, coarse unbleached cloth made from hemp, flax, or a similar yarn, used to make items such as sails and tents and as a surface for oil painting.

• [count noun] a piece of canvas prepared for use as the surface for an oil painting. • [count noun] an oil painting: *Turner's late canvases*. • (**the canvas**) the canvas-covered floor of a boxing or wrestling ring. • [count noun] either of a racing boat's tapering ends, originally covered with canvas.

→ **verb**

(**canvases, canvassing, canvassed**; (US) **canvases, canvasing, canvased**) [with obj.] cover with canvas: *the door had been canvassed over.*¹

37. In the context of its use in respect of the respective parties' goods, the word 'canvas' will undoubtedly assume the meaning relating to an artist's canvas, as opposed to any other meaning. The word 'web' also has a number of possible meanings, one of which is "the World Wide Web or Internet".² In the context of its use on Web's product, average consumers will undoubtedly attribute the meaning relating to the World Wide Web, rather than any other meaning.
38. In terms then of a purely semantic analysis, the respective marks must then share a high degree of conceptual similarity, on the basis that both share the same dictionary known word 'canvas', which will be interpreted by the average consumer in the same way, given its context. The marks are not conceptually identical as the concept behind Web's mark is of a 'canvas' based upon, utilising or available through, the medium of the 'web', being the 'world wide web'. Taking the similarities and dissimilarities into account however I consider that the respective marks share a high degree of conceptual similarity.
40. Having done my separate analysis of visual, aural and conceptual similarity of the marks, I need to bring them all together in an overall assessment of similarity, taking account of, eg any distinctive or dominant elements and whether the goods involved may be sold in, eg a predominantly visual setting or ordered by way of mouth. At this point I have to acknowledge that the parties' submissions diverge. Web says, in effect, that the prefix, 'web', would be somewhat unusual in trade; known or established products such as ACD's

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"canvas noun" *The Oxford Dictionary of English* (revised edition). Ed. Catherine Soanes and Angus Stevenson. Oxford University Press, 2005. *Oxford Reference Online*. Oxford University Press. Intellectual Property Office. 13 December 2010 <<http://www.oxfordreference.com/views/ENTRY.html?subview=Main&entry=t140.e11317>>

² See also *The Oxford Dictionary of English* (revised ed) as above.

would not be prefixed by the word 'web' to indicate, simply, that they may be available through that medium. Presumably, and it follows also, that in the perceptions of the average consumer this is a trend or pattern which would be recognised by the average consumer. The legal effect of this submission is that the word 'web' possesses its own distinctiveness in their mark, alongside that of the word 'canvas', contributing to the overall distinctiveness of the word 'webcanvas'; it is at least as distinctive as the word 'canvas'. ACD's position is however, that the word 'web' would simply denote to the average consumer that this is the medium through which the 'canvas' product may be accessed.

41. I have not found this matter easy to resolve; the parties have both relied upon assertion and submission, but what is beyond doubt is the overwhelming usage of the word 'web' in all contexts, which to my mind, means the onus is upon Web to demonstrate its capability beyond pure description, to also possess distinctive character and thereby contribute to the overall distinctiveness of 'WebCanvas'. I do not see Web as having discharged that onus and in the absence of that, taking the visual (which I consider to be the predominant mode in which these products are sold), aural and conceptual elements together, I find the respective marks share a very high degree of similarity. I may just add that my consideration, in particular, of the distinctiveness of the earlier mark will continue in my overall assessment of likelihood of confusion.

Comparison of the goods

42. In assessing the similarity of goods and services, it is necessary to apply the approach advocated by case law and to take account of all the relevant factors relating to the services in the respective specifications. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at para 23 of the Judgment:

'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 end users and their method of use and whether they are in competition with each other or are complementary.'

43. Other factors have been identified in *British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281, such as the nature of the users and the channels of trade.
44. It is important to recognise that even though there is no real evidence on similarity of the terms in the respective lists of goods and services, I nevertheless have the statements of case and am able to draw upon commonly known facts. Mr Geoffrey Hobbs QC sitting as the Appointed Person said in *Raleigh*

International trade mark [2001] R.P.C. 11 at para 20, that such evidence will be required if the goods or services specified in the opposed application for registration are not identical or self-evidently similar to those for which the earlier trade mark is registered. But where there is self-evident similarity, and especially in relation to everyday items, evidence may not be necessary. He also stated that the tribunal may, in an appropriate case, consider the question of similarity from the viewpoint of the notional member of the relevant purchasing public.

45. I should also mention a further case in terms of the application of legal principles, and that is the European Court of First Instance (“GC”) in *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) (“Meric”)* Case T-133/05, where, at para 29, it is stated:

“In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

46. With my introductory comments out of the way, I turn to the services to be compared, which are as follows:

ACD's goods	Web's goods
<p>Class 9</p> <p>Computer software for use in graphic design, desktop publishing, digital and electronic publishing, for preparing audiovisual materials in support of presentations, printing, preparing graphics, typesetting, preparing artistic, technical and scientific drawings and annotations, creating fonts, typefaces, and special graphical and textual effects; computer software for viewing, creating and manipulating graphic images on a computer; computer</p>	<p>Class 9</p> <p>Apparatus for computer aided design; apparatus for recording, transmission or reproduction of sound or images; data processing equipment and computers; computer software downloadable from the Internet for use in a Web 2.0 application for creating and manipulating images on a web page.</p>

<p>software containing clip art, and typefaces.</p> <p>Class 16:</p> <p>Printed publications; user manuals and instructional books for use with software.</p>	<p>Class 16:</p> <p>Photographs; instructional and teaching material.</p>
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Class 9

47. As regards “computer software downloadable from the Internet for use in a Web 2.0 application for creating and manipulating images on a web page” in Web’s specification, it is ACD’s contention that these goods are identical to the goods in their Class 9 specification. I agree. Although the wording is different and Web has sought to make a distinction with the words “downloadable from the Internet for use in a Web 2.0 application....”, the two specifications are identical. ACD’s specification covers, “Computer software for use in graphic design,.....digital and electronic publishing,preparing graphics, preparing artistic,and special graphical and textual effects;” and also, “computer software for viewing, creating and manipulating graphic images on a computer;”. These terms would encompass “computer software downloadable from the Internet, as well as available in traditional format, and the words ‘for use in a Web 2.0 application for creating and manipulating images on a web page’ do not avoid the fact that the breadth of ACD’s specification would encompass such software.
48. As far as the hardware in Web’s specification is concerned, “apparatus for computer aided design”, it is ACD’s contention that the software covered in their specification is highly similar to this hardware. This is on the basis that computer aided design would normally be done using a suitably programmed computer. In other words, the software and hardware ‘complement’ each other, the one being entirely dependent upon the other, neither possessing separate, independent existence. I agree with this submission as well, and such a view of ‘complementarity’ is expressly endorsed by the General Court in Case T-325/06 *Boston Scientific Ltd v OHIM* (see paras 77-87). In view of the complementary nature of the goods a finding of ‘similar’, rather than ‘highly similar’ was endorsed by the General Court, and I find likewise in this case.
49. As far as “apparatus for recording, transmission or reproduction of images or sound”, ACD say these are recognised in the Nice Class Heading for Class 9 and as such, are likely to be considered to include a range of hardware within the Class, including computers programmed with software covered by the terms in ACD’s Class 9 specification. I agree. Once again we have the

'complementary relationship' between hardware and software and the fact that hardware is indicated by a potentially broad range of product does not avoid a finding of the goods being 'similar'.

50. Finally, we have the term "data processing equipment and computers" in Web's Class 9 specification. For the reasons I have given in relation to the other hardware in their specification, I would find likewise these products are also 'similar' to the software in ACD's Class 9 specification.

Class 16

51. It is ACD's position that "photographs" in Web's Class 16 specification are 'highly similar' or 'identical' to "computer software containing clip art" in their Class 9 or "printed publications" in their Class 16. This is on the basis that photographs are traditionally categorised to Class 16, but these days most images are now generated digitally with cameras. It is these digital images that are capable of being manipulated when the opponent's product is used. Distinctions that may have existed in the past and been reflected in the Nice Classification are, with digital imaging, much more blurred these days. Photographs can be created and certainly manipulated these days by ACD's software, as specified in their Class 9 specification. In addition, ACD also has "printed publications" at large in their Class 16 in any event.
52. I do not entirely agree with ACD on this. A 'photograph' would not normally be considered to be a 'printed publication'. Whilst a 'printed publication' may contain photograph(s), in the course of trade, a 'printed publication' would, more usually, be thought to be more than simply a photograph. That said, I think there is a degree of similarity between the software in ACD's Class 9 specification and 'photographs' in Web's Class 16 specification. This is because, once again, there is something of a complementary relationship between the 'photograph', being the end product, and any software that may be used in its generation or creation. I believe the average consumer is likely to make such a linkage in the course of trade, so that, for example, (and I concede the example is perhaps not the most apposite in view of the high distinctiveness of the mark), use of KODAK on photographs and software in their generation, would indicate the same economic undertaking. In view of this, I make a finding of a low degree of similarity between the software of ACD's Class 9 specification and 'photographs' in Web's Class 16 specification.
53. Finally, there is "instructional and teaching material" in Web's specification, as compared to "printed publications, user manuals and instructional books for use with software" in ACD's specification. These goods are identical for my purposes. Web's goods, although specified in broad terms, appear in Class 16 and are thus apt to be printed, paper-based material of exactly the same nature caught within Web's specification.

Likelihood of confusion

54. Before proceeding to bring all my findings together in an overall global assessment I need to make an assessment of the distinctive character of the earlier mark, which will then be factored into my assessment. Much of Web's argument is, in effect, that ACD's mark is of low distinctive character, and that consequently no connection will be made by the average consumer upon seeing the word "WebCanvas" in use, or indeed that a search on 'CANVAS' itself will not inevitably lead to the opponent.
55. I should at this point mention specifically Exhibit ARL9 which shows 'canvas', used descriptively in the context of software relating to HTML, the Java programming language. I have to agree with the opponent's attorneys that such 'descriptive' use of the word 'CANVAS' is, in effect, well beyond the perception and appreciation of the average consumer for the products involved, and buried deep in the workings and language of sophisticated and knowledgeable HTML and Java programmers. The word 'canvas' must be assessed in terms of its distinctiveness, having reference to the perceptions of the average consumer and in normal trade mark usage (see *Rxworks v Dr Paul Hunter* [2007] RPC 13), not programmer or other sophisticated user language. On that basis, this aspect of the evidence of Dr Lopes also carries no weight as far as the distinctiveness of the earlier mark is concerned.
56. To return then to the question of just how distinctive is ACD's mark. An invented word having no derivation from known words is, in its inherent characteristics, very high on the scale of distinctiveness. The word 'CANVAS' is, as I have said, a known dictionary word which has a clear 'relationship' to Web's product, being, broadly speaking, computer graphics software. It is not thereby an entirely descriptive mark, but its distinctive character must be assessed as only low to moderate.
57. ACD say their mark as a 'reputation' in the UK and, if true, this may serve to enhance its inherent distinctive character. The evidence reveals that the mark certainly has longevity in the UK and has evolved over the years through many iterations, currently at version 12. That said, it is not clear to me that those many iterations have resulted in the product becoming more widely known amongst the consumers for software graphics tools. On the contrary it appears to have developed into a more specialised business tool meeting the needs of niche markets, rather than finding a gap in the more general market. As compared to its better known competitors in the general market, I do not believe the evidence discloses a reputation, amongst the general public at least. Comparative figures as against its rivals in the UK are not available and the evidence betrays certain gaps in marketing activity in the UK which have had to be made good by research on web traffic. This research is not indicative of sales, and in any event shows that just 1.5% of ACD's website

users come from the UK. In all, I conclude that the evidence does not show that a reputation exists in the UK, such that it would enhance the low to moderate level of distinctive character in the earlier mark.

58. Finally and central to this case, prior to moving to a concluding assessment, there is the core assertion that the notional average consumer for these products will simply assume that “WebCanvas” is a web based version of a ‘CANVAS’ product. Given both the nature of the products involved (being in the main, software) and the acknowledged overwhelming usage of the word ‘web’, in my view it was down to Dr Lopes to displace that assertion. He has tried to do so with a number of submissions.
59. Firstly, he says the average consumer can assume “WebCanvas” to be a service or product that is genuinely and exclusively web based. He says, “It is much easier to establish this association than to extrapolate that WebCanvas is the same as one of CANVAS services or products with the difference of it being promoted or commercialised online. In this instance such an extrapolation would be particularly confusing due to the multiple of registered CANVAS products and services concurrently being promoted and commercialized on the Web.” That is unlike, say Coca-Cola™, where the addition of the word ‘web’ (as in webcoco-cola) would still create a connection or association with the drink, notwithstanding that you cannot drink through a web browser. CANVAS, on the other hand, is not a unique, instantly recognisable brand and it would be difficult to know what to expect from a CANVAS product. This argument really goes to how distinctive the mark ‘CANVAS’ is in the first place, rather than undermining the core assertion that the average consumer will regard ‘WebCanvas’ as a web based version of a CANVAS product.
60. Dr Lopes also says there has never been any commonly established practice of prefixing existing products or services with “web”, when commercialising them online. BBC NEWS™ does not become “Web BBC News”. Dominoes does not become “Web Dominoes”. Such an affixation would be tautological, www.example.com already literally translates as “world wide web.example.com”. The word ‘web’ is thus already indicated within the URL. This undermines the assertion that consumers would expect ‘WebCanvas’ to be an online version of a CANVAS product and directly contradicts the evidence of Mark Franklin who maintains that the ‘web’ prefix would be understood as a web version of his software. However, as the opponent’s attorneys note, cross examination of Mr Franklin on this point has not however been requested, and I should note also at this point that although the opponents may not choose to operate or be responsible for a *URL* under the designation eg, www.webcanvas.com, this does not mean to say they would not therefore name their *product* ‘webcanvas’, whether it be entirely web accessible, boxed in CD version or otherwise available. In other words the same tautological considerations which apply to the name given to a URL do

not necessarily apply to a software product such as may be produced within the terms of ACD's specification. Furthermore, it seems that the analogies drawn by Dr Lopes (eg, BBC NEWS) do not reflect the specific goods of either party.

61. Dr Lopes finally says, in his third witness statement dated 15th December 2009, that the opponents do not currently have a web based version of CANVAS and surmises that if they ever realise such a product it would be different from their current CANVAS product, and either the new product will be named CANVAS or something completely different. This of course is pure speculation on Dr Lopes's part and accordingly carries no weight. What matters is the perception of the average consumer and not what Dr Lopes says the possible plans ACD may be as regards naming any future product.
62. As regards the core assertion in this case, I am unable to conclude that Dr Lopes has been able to displace that by his submissions.
63. So, bringing all my findings together in an overall global assessment, I have found above:- the respective marks share a very high degree of similarity, and the respective goods range from identical, through similar and, in the case of 'photographs' have a low level of similarity with ACD's products. I have also made observations on the nature of the average consumer and the purchasing process involved. And finally, I have found the earlier mark to have a low to moderate level of inherent distinctiveness.
64. In all the circumstances, I have no hesitation in finding there is a likelihood of confusion as between the respective marks in respect of all goods. Even with 'photographs', which have a low level of similarity with ACD's goods, given the nature of that similarity (ie, the relationship between photographs and software which could be used in their generation), likelihood of confusion will arise.
65. In this regard it is worth recording that the authorities to which I have referred in para 30 above make reference to both 'direct' and 'indirect' confusion. Direct confusion is where marks are directly confused for each other; indirect confusion is where, despite the fact that the marks may not be directly confused, an assumption may be made on the part of the average consumer that goods or services using the later mark may emanate from the same economic undertaking. The different nature of these mistakes by the consumer is explained in a very recent Appointed Person case, LA SUGAR, BL O-375-10 "*LA SUGAR*"). In this case the Appointed Person explains in paras 16 and 17 that indirect confusion engages a recognition by the consumer that the respective marks are different, but that because there is something in common between the respective marks the consumer concludes that the later mark may be another brand of the owner of the earlier mark. This may, for example, be where the common element is so strikingly

distinctive, or where the later mark simply adds a non-distinctive element (such as “LITE”, “EXPRESS” “WORLDWIDE” or “MINI”), or finally, where the earlier mark comprises a number of elements and a change of one element appears entirely logical and consistent with brand extension (“FAT FACE” to “BRAT FACE” for example).

66. In the particular circumstances of this case, I regard the nature of the ‘mistake’ by the consumer to be likely to be of an indirect nature, as fully explained in the *LA SUGAR* case. In particular, the element ‘web’ is a non-distinctive element which, when added to the word ‘CANVAS’ will simply suggest to the average consumer that ‘WebCanvas’ is a brand of the opponent.

67. Accordingly, the opposition under section 5(2)(b) succeeds in its totality.

Costs

68. ACD has said, as Web are unrepresented, they do not consider that a costs order is appropriate. It is not the case that all unrepresented parties are, by virtue of that fact alone, thereby immune from a costs order, but in all the circumstances of this case I agree that no costs order be made in this case.

Dated this 04 day of February 2010

**Edward Smith
For the Registrar,
the Comptroller-General**