BL0-0427-23

TRADE MARKS ACT 1994

IN THE MATTER OF
TRADE MARK APPLICATION
NO. 3398910 (series)
BY CHARLES WELLS LIMITED

AND

IN THE MATTER OF
OPPOSITION NO. 418203 THERETO
BY STARWOOD HOTELS &
RESORTS WORLDWIDE, LLC

Starwood Hotels & Resorts Worldwide LLC was represented by Mr Tom Alkin of Counsel, Instructed by D Young LLP

Charles Wells Limited was represented by Mr Sam Carter of Counsel, instructed by Freeths LLP

Hearing date: 7 December 2022.

DECISION

Introduction

1. This is an appeal by Starwood Hotels & Resorts Worldwide LLC ("the Opponent") against decision BL O/584/22 of Ms Clare Boucher, sitting as a Hearing Officer on behalf of the Registrar of Trade Marks, dated 8 July 2022.

2. Charles Wells Limited ("the Applicant") applied to register the following series of 6 marks ("the Contested Mark") in classes 6, 21, 25, 32, 35, 36, 40, 41 & 43 on 13 March 2019:

3. The application was opposed by the Opponent based on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). These sections provide as follows:

5 Relative grounds for refusal of registration.

…

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark

(3) A trade mark which -
(a) is identical with or similar to an earlier trade mark…
shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.

(4) A trademark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented— (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met…

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

(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.

4. For S. 5 (2) (b) the Opponent relied on the following Earlier Trade Marks (table taken from the Hearing Officer's decision):

Marks	**Goods and services relied on**

UKTM No. 3155448  Filing date: 17 March 2016 Registration date: 8 July 2016	<u>*Class 35*</u> *Retail store services; business services, namely the management and franchise of hotels.* <u>*Class 41*</u> *Entertainment; providing entertainment facilities; club services (entertainment or education); providing karaoke services; discotheque services; providing amusement arcade services; night clubs.* <u>*Class 43*</u> *Temporary accommodation services; restaurant and bar services; hotel and resort services; hotel reservation services.*

EUTM No. 9576961  Filing date: 15 October 1998 Registration date: 28 January 2000 Priority date :15 April 1998[2]	<u>*Class 41*</u> *Entertainment services including live entertainment services, casino and gaming services.* <u>*Class 43*</u> *Hotel, motel, resort hotel and motor inn services; hotel reservation services; restaurant, bar and catering services; food and beverage preparation services, cafe and cafeteria services; provision of information relating to holidays; beauty salon and hairdressing services; provision of conference and meeting facilities.*

EUTM No.10019602  Filing date: 3 June 2011 Registration date: 1 September 2013	<u>*Class 35*</u> *Business management; business administration; office functions.*
EUTM No. 9805318  Filing date: 11 March 2011 Registration date: 14 February 2012	<u>*Class 35*</u> *Retail store services in the field of the hotel business, namely providing retail store services within a hotel and by means of electronic media of perfumery, cosmetics, soaps, hair lotions, candles, jewellery, watches, stationary; bags; textile goods; bed covers; clothing, footwear, headgear.*

EUTM No. 11635562 **THE W** Filing date: 7 March 2013 Registration date: 31 July 2013	<u>*Class 32*</u> *Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.* <u>*Class 39*</u> *Agency services for arranging travel; services for the arranging of excursions for tourists and for the arranging of tours.*

EUTM No. 7507601  Filing date:8 January 2009 Registration date: 15 February 2011	<u>*Class 39*</u> *Travel arrangement; escorting of travellers; information (transportation); transportation information.* <u>*Class 43*</u> *Services for providing food and drink; temporary accommodation; accommodation reservations (temporary -); boarding house bookings; buildings (rental of transportable -); hotel reservations; rental of chairs, tables, table linen, glassware; rental of tents; rental of transportable buildings; reservations (temporary accommodation -).*

5. For S. 5 (3) the Opponent relied on UK Registration No 3155448.

6. Under S. 5 (4) (a) the Opponent relied on the following Earlier Right said to have been used since 14 February 2011 for *Hotel services; hotel reservation services; provision of temporary accommodation; provision of food and beverages; business administration and functions relating to the operation of hotels*:

7. The opposition was directed to the following goods and services of the Contested Mark:

   <u>*Class 32*</u>

   Beer, lager, ale and porter; non-alcoholic beverages, namely, non-alcoholic beer, lager, ale and porter.

   <u>*Class 35*</u>

   Business management and business assistance, all relating to a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider; accounting services relating to a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider; wholesale services relating to beverages; consultancy, advisory and information services in relation to all the aforesaid; retail services connected with food, drinks.

   <u>*Class 36*</u>

Real estate services; real estate management; leasing and rental of commercial premises; consultancy, advisory and information services in relation to all of the aforesaid; all of the aforesaid services relating to providers of food and/or drinks, bars, public houses and restaurants.

Class 41

Entertainment services; training services; conference services; organisation of events for entertainment, cultural and sporting purposes; organisation of competitions; conducting guided tours; consultancy, advisory and information services in relation to all of the aforesaid; all provided by a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider.

Class 43

Provision of food and drink; public house services; bar and restaurant services; temporary accommodation; provision of conference facilities; wine bar services, catering services, cafe services; cafeteria services; canteen services; self- service restaurant services; snack bar services; hotel services; room hire; consultancy, advisory and information services in relation to all of the aforesaid.

8. The Applicant denied the opposition grounds in full and, pursuant to S. 6A of the Act, put the Opponent to proof of the genuine use of EU Trade Mark Registration Nos. 957696, 10019602, 9805318, 11635562 and 7507601.

The Hearing Officer's Decision

Proof of Use and Fair Specification

9. In order to rely on its EUTMs W and THE W in the opposition, the Opponent was required to prove that they had been put to genuine use for the goods/services for which they had been registered.

10. Taking first EUTM Registration No. 11635562 THE W, the Hearing Officer determined that there was no evidence of the actual use of this mark in this precise form. She went on to consider whether, nevertheless, the use of W alone would suffice on the basis that despite the omission of the definite article, it was an acceptable variant of THE W. However, the Hearing Officer concluded that the omission of the definite article was a material change that altered the distinctive character of THE W mark. Thus, THE W could not be relied on by the Opponent. [41].

11. Secondly, the Hearing Officer found there was no genuine use in relation to class 35 services, thus ruling out EUTMs 10019602 and 9805318 [45-48].

12. Similarly the Hearing Officer found there was no genuine use for class 39 services in so far as these were covered by EUTM No 7507601 [49].

13. After reviewing the evidence, the Hearing Officer determined that the had shown genuine use of the following EU marks for the indicated "fair specifications" [50-52]:

Mark	**Services**
EUTM No. 957696	*Class 41* *Entertainment services, including live entertainment.* *Class 43* *Hotel services; hotel reservation services; restaurant, bar and catering services; food and beverage preparation services; beauty salon services; provision of conference and meeting facilities.*
EUTM No. 7507601	*Class 43* *Services for providing food and drink; temporary hotel accommodation; hotel accommodation reservations (temporary); hotel reservations; reservations (temporary hotel accommodation).*

14. UK Registration No. 3155448 could be relied on for its full specification in classes 35, 41 and 43 (see para. 3 above) since it was not subject to the "proof of use" regime.

Section 5 (2) (b)

Comparison of Goods and Services/Average Consumer

15. The Opponent's skeleton helpfully set out the Hearing Officer's findings in this respect and with thanks and due acknowledgement to Mr Alkin I adopt that summary here shorn, of course, of the paragraph numbering:

"Class 32

Contested 'Beer, lager, ale and porter; non-alcoholic beverages, namely, nonalcoholic beer, lager, ale and porter' similar to a low degree (§59).

The relevant average consumer is an adult member of the general public who perceives the mark primarily visually (with some role for aural perception) and pays a medium degree of attention (§69).

Class 35

Contested 'retail services' identical (§62); contested 'business management and business assistance' and 'accounting services' highly similar (§60); contested 'consultancy, advisory and information services in relation to the aforesaid [business management and accounting] services' and 'wholesale services' similar to a medium degree (§61 and 63); contested 'consultancy, advisory and information services in relation to the aforesaid [wholesale] services' dissimilar (§64).

The relevant average consumer in each case is a business consumer in the hospitality industry who perceives the mark primarily visually (with some role for aural perception) and pays a high degree of attention (§73).

Class 36

Contested 'Real estate services; real estate management; leasing and rental of commercial premises; consultancy, advisory and information services in relation to all of the aforesaid; all of the aforesaid services relating to providers of food and/or drinks, bars, public houses and restaurants' dissimilar (§35).

Class 41

Contested 'Entertainment services; training services; conference services; organisation of events for entertainment, cultural and sporting purposes; organisation of competitions; conducting guided tours; consultancy, advisory and information services in relation to all of the aforesaid; all provided by a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider' identical.

The relevant average consumer is a member of the general public who perceives the mark primarily visually (with some role for aural perception) and pays a medium degree of attention (§70).

Class 43

Contested 'Provision of food and drink; public house services; bar and restaurant services; temporary accommodation; provision of conference facilities; wine bar services, catering services, cafe services; cafeteria services; canteen services; self- service restaurant services; snack bar services; hotel services; room hire; consultancy, advisory and information services in relation to all of the aforesaid' identical.

The relevant average consumer is a member of the general public who perceives the mark primarily visually (with some role for aural perception) and pays a medium degree of attention (§71)."

Overall Impression of Marks

16. The Hearing Officer, noting that a mark registered in black and white covers use of a mark in colour, considered that the overall impression of the Earlier Mark was the capital letter W [77].

17. As for the Contested Mark, the Hearing Officer acknowledged the capital W in it made the greatest contribution, but that the words "WELLS & CO" played a role "albeit a lesser one" [78].

Visual Comparison

18. The Hearing Officer noted the common W element but also took into account the additional matter in the Contested Mark, in particular what she called "the complex colour arrangement of the contested mark". She concluded the level of similarity was "low to medium" [79].

Aural Comparison

19. It was determined that if the Contested Mark was articulated as "W WELLS" the aural similarity was medium. If articulated as "W WELLS & CO", the similarity was low [80].

Conceptual Comparison

20. The Hearing Officer found that the Earlier Mark had no conceptual content and that no conceptual comparison was possible [81].

Distinctive Character of the Earlier Mark

21. Noting that she was required to attribute at least some distinctive character to the Earlier Mark (per *Formula One Licensing BV v OHIM,* Case C-196/11P), the Hearing Officer attributed a level of inherent distinctive character "somewhere between low and medium" [86].

22. As to enhanced distinctive character, after reviewing the evidence the Hearing Officer found the Earlier Mark to enjoy "slightly" enhanced distinctive character for "*Hotel services; restaurant and bar services"* [94].

Likelihood of Confusion

23. The Hearing Officer essentially concluded that the differences between the marks, in particular the role of WELLS in the Contested mark, and notwithstanding that the letter W made the greatest contribution to its overall impression, were sufficient to rule out both direct and indirect confusion [99-100].

24. The opposition therefore failed under S. 5 (2) (b).

S. 5 (3)

Reputation

25. In keeping with her decision on the Earlier Marks' enhanced distinctive character, the Hearing Officer accepted the UK registration relied on had a "modest reputation for *restaurant and bar services* and *hotel services* [105].

Link

26. After reviewing all the relevant factors, the Hearing Officer determined there was no "link" or that if there was, it was no more than fleeting and therefore insufficient [107].

27. Consequently the S. 5 (3) opposition ground failed.

S. 5 (4) (a)

28. In short the Hearing Officer, referring to her prior findings on likelihood of confusion, found that – considered as wholes – the parties' marks were sufficiently different to rule out deception [119]. This ground of opposition, and thus the opposition in its entirety, failed.

The Appeal

29. The Opponent filed an appeal on 5 August 2022. The Appeal originally consisted of no less than 15 grounds. By the time the matter came before me, however, Mr Alkin confirmed that only the following grounds were maintained.

Proof of Use

1) The Hearing Officer should have found that Starwood's use of 'W' was use of an acceptable variant of 'THE W'.
2) The Hearing Officer should have found, on the evidence, that there had been genuine use in relation to 'travel arrangement; escorting of travellers… transportation information".
3) The limitation of class 43 in EUTM No. 7507601 the Hearing Officer's insertion of word 'hotel' was unfairly narrow, the Hearing Officer having erred in the that she did not turn her mind to the perceptions of the average consumer of hotel services.

S. 5 (2) (b)

4) The Hearing Office erred in finding the marks were visually similar to only a low to medium degree. She arrived at this finding by failing to take colour into account. Had she done so she would have found that the level of similarity was medium.
5) The Hearing Officer erred in concluding that no conceptual comparison between the marks was possible.
6) The Hearing Officer was wrong to determine that the distinctive character of the Earlier Mark had only been 'slightly' enhanced by use.
7) The Hearing Officer erred in finding there was no likelihood of direct confusion because she failed to give due consideration to "imperfect recollection" in her assessment.
8) The Hearing Officer erred in finding there was no likelihood of indirect confusion because she failed properly to apply the principles of *L.A. Sugar* to the facts of this case.

S. 5 (3)

9) The Hearing Officer erred in concluding that the Earlier Mark had only a "modest reputation".
10) The Hearing Officer erred in concluding that the use of the Contested Mark would create no link;
11) The Hearing Officer should have found that any such link would cause unfair advantage or detriment to the distinctive character or repute of the Earlier Marks.

S. 5 (4) (a)

12) The Hearing Officer erred in finding that use of the Contested Mark would not cause deception.

Respondent's Notice

30. The Applicant filed a Respondent's Notice on 26 August 2022. It contended:
    1) That the original Decision should be upheld in full, even if any grounds of appeal were allowed.
    2) In addition or in the alternative, that the Decision should be upheld on the basis that the respective marks were similar at most to only a low degree, that the Earlier Trade Mark had only the minimal level of distinctive character resulting from the application of the principles in *Formula One*, and that no acquired distinctiveness had been shown.

Standard of Review

31. The Opponent referred me to *Abanka DD v Abanca Corporation* [2018] Bus LR 612. The Applicant chose to rely on BL O/271/16 *Peter Hogan v Milbro Sports and others,* and *Digipos Store Solutions Group Limited v Digi International, Inc* [2008] RPC 24BL and O/669/19 *LIVING DREAMS.*

32. However, at the Hearing, Counsel were agreed there was not much, if anything, between them on this issue and so, subject to any reference I subsequently need to make to the particular cases raised by Mr Carter, I shall adopt Mr Alkin's summary:

"An appeal against decisions taken by the Registrar is by way of review (Abanka DD v Abanca Corporation [2018] Bus LR 612 endorses the principles set out in TT Education v Pie Corbett [2017] ETMR 26 as the appropriate standard). Neither surprise at a Hearing Officer's conclusion, nor a belief that he or she has reached the wrong decision suffice to justify interference. As regards matters of factual evaluation, the Tribunal should not interfere unless the disputed conclusion is outside the bounds within which reasonable disagreement is possible. In order to intervene, the Tribunal must be satisfied that there was a distinct and material error of principle in the decision in question or that the Hearing Officer was wrong - Reef Trade Mark [2003] RPC 5*; and Actavis Group PTC v. ICOS* Corporation [2019] UKSC 1671 *at [78] to [81]. As to whether a decision is "wrong" "the real question, as all the cases say, is whether the decision in question was wrong in principle or was outside the range of views which could reasonably be taken on the facts..." (Abanka at [24]).*

33. Further, as per Mr Daniel Alexander QC said in *TT Education* at [52 iv] "*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".*

34. He continued at [52 vi] to say *"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".*

35. I bear these principles in mind. In particular, I note that there is no dispute that the Hearing Officer directed herself correctly as to the proper legal principles to be applied to her assessment at every stage. With the exception of the Hearing Officer's approach to indirect confusion under S. 5 (2) (b), the Opponent's challenges are directed against the outcome of the evaluative and multifactorial assessment. That being the case, I must "*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".*

36. Lastly, I would add the classic statement of Lewison LJ in *Fage UK Ltd & Anor v Chobani UK Ltd & Anor* [2014] EWCA Civ 5, at [114] that *"(ii) The trial is not a dress rehearsal. It is the first and last night of the show."* This applies just as much in Trade Mark Registry hearings – there is no point in fixing the dialogue after a bad review has closed the production.

Merits

37. Before dealing with the specifics of the Appeal, I pause to note that more than a few of the grounds and submissions concern factors it is said the Hearing Officer *should* have considered and thought about in undertaking her evaluations. However, upon reading the Opponent's submissions and evidence at first instance, it is clear many of these points were not put to the Hearing Officer - she was largely left to evaluate the facts and arrive at a conclusion on the basis of her own experience and the papers before her.

38. As the authorities indicate, all other things being equal and in the absence of a glaring error of principle or something which was "wrong", an appeal on such a basis presents a near-vertical hill to climb. Indeed, usually it is essentially an attempt to re-hear, rather than review, the case.

39. If a party wishes to influence the thinking of a Hearing Officer on an evaluative matter, especially where the case is being "determined on the papers", it needs to argue its point in front of the Hearing Officer *on the first night of the show*. It may be a point that is obvious to the party, but it doesn't follow it is also obvious to the Hearing Officer or that even if it is, they won't justifiably discount it, unless the party has sought to persuade them otherwise. *"Get it right first time"* cannot be stressed too often as regards both submissions and evidence.

40. I now turn to the substance of the Appeal.

Proof of Use

Ground 1 - The Hearing Officer should have found that Starwood's use of 'W' was use of an acceptable variant of 'THE W'.

41. The Opponent accepted the Hearing Officer had instructed herself properly on the law. There is no suggestion she did not interpret the evidence correctly. No submissions in lieu were put the Hearing Officer at first instance on whether the use of W was an acceptable variant of THE W for the purpose of proving the genuine use of the latter. The Hearing Officer was therefore left to evaluate the matter herself.

42. Dealing with this issue at [41] the Hearing Officer said:
"The element of the mark that is omitted is the definite article ("THE"). The definite article is frequently non-distinctive, but I consider that this is not the case here. The English-speaking consumer would not usually say "THE W", but rather "W" or "THE LETTER W". I find that the definite article makes some contribution to the distinctiveness of the earlier mark, and so its omission is a material change that alters the distinctive character of the mark. I find that the opponent has not shown that it has genuinely used EUTM 11635562".

43. In his skeleton, referring to the evidence, Mr Alkin said "*As can be seen, when customers use the definite article, they do not use it as part of the brand (which they obviously understand as being 'W' solus), but rather as a natural grammatical adjunct (e.g. in the composite phrase 'the W hotel').*

44. That is one interpretation, of course. Mr Alkin acknowledged as much before me. However, different but no less reasonable interpretations are possible and preferring one over another is not, as the Opponent contends, an error in the application of law to facts. The degree to which the omission of an element from a mark changes its distinctive character is an evaluative exercise on which different but equally reasonable conclusions are possible. It is clear from [41] that the Hearing Officer carried out a proper evaluation. She acknowledged that the definite article could be non-distinctive but determined by way of her value judgment that here it did contribute to "THE W"'s distinctiveness. There is nothing in the Opponent's submissions to persuade me that was a conclusion which was wrong or unreasonable. The Opponent's challenge is simply a disagreement with that evaluation and an attempt to re-hear the issue. That is not a basis for a successful appeal. Ground 1 fails.

Ground 2 - The Hearing Officer should have found, on the evidence, that there had been genuine use in relation to 'travel arrangement; escorting of travellers… transportation information".

45. Very little, if any, argument was made on this below.

46. The Hearing Officer assessed the evidence of use in relation to Class 39 at [49]:
"The Class 39 services still in play are Travel arrangement; escorting of travellers; information (transportation); transportation information. Mr Grisius states that the W hotels offer concierge services. This is corroborated by several reviews on the TripAdvisor website during the relevant period which talk about concierge staff in London offering advice and arranging itineraries and transport. I acknowledge that Concierge services are proper to Class 45 but also that the explanatory notes to the Nice Classification make clear that this classification is not based on the individual services performed by the concierge, but reflects their nature as personal services. I accept that these services have been offered to the opponent's guests, but that does not necessarily mean that such use is sufficient to create or maintain a market for the services. On the basis of a few TripAdvisor reviews and a statement that concierge services are offered, I find that the opponent has not shown genuine use of the mark for the Class 39 services".

47. The Opponent argued on appeal that concierge services included "Travel arrangement; escorting of travellers; information (transportation); transportation information". In his skeleton Mr Alkin submitted that "*Given that concierge services, including travel arrangement, escorting travellers and*

transportation information, are an entirely standard part of the service offered by luxury hotels, Mr Grisius' statement was adequate to prove use by Starwood. There was no need to demand more. The Hearing Officer should therefore have accepted that evidence."

48. The problem for the Opponent is that the Hearing Officer clearly *was* accepting the evidence for what it showed but, quite properly, she also took account of what it did *not* show[1]. She accepted the services were offered but evaluated the evidence as inadequate to prove *genuine* use for the class 39 services. Proof is the responsibility of the Opponent (S. 100 of the Act).

49. Once again, therefore, the Opponent's point is merely one of disagreement. Ground 2 fails.

Ground 3 - The limitation of class 43 covered by EUTM No. 7507601 by insertion of the Hearing Officer's insertion of word 'hotel' was unfairly narrow.

50. This concerns the extent of the fair protection afforded to EUTM No. 7507601 in the light of the evidence showing what the mark had been genuinely used for.

51. The Hearing Officer's findings were as follows:

"*51. Turning now to the Class 43 services and taking the evidence as a whole, I am satisfied that use has been shown for hotel services and restaurant and bar services within those hotels, along with reservation services and meeting and conference facilities. Motel and motor inn services refer to specific types of hotels, either aimed at longer-distance travellers near road infrastructure, while the opponent's hotels are all based in major cities. Resort hotels are hotels offering a full range of facilities so that guests, if they choose, do not have to leave the premises, and may be destinations in their own right. In my view, the average consumer would expect to find such hotels at locations that are considered to be holiday resorts, for example at the coast. Provision of information relating to holidays could, in my view, be covered by the opponent's concierge services but I do not see that the use shown in the evidence is such as to suggest that there has been an attempt to create and preserve a share of the market for such services. The evidence also makes several references to beauty salon services, but I do not see that hairdressing services are provided. I note that Barber services are listed in the booking.com entries, but there are no other references to indicate the scale of the services offered. While bar and restaurant services are clearly provided, I do not find use in relation to café and cafeteria services. These are establishments that generally are not licensed to serve alcohol; they are more informal than restaurants and serve lighter meals. There is no evidence that these services are provided, although I consider that the broader catering services would be*

[1] See *the comments of Mr Geoffrey Hobbs QC in CATWALK BL O/404/13 at [22]*

included in a fair specification, on the basis of the restaurants, bars and provision of food for events in the meeting and conference facilities. I find no evidence of use for Boarding house bookings; buildings (rental of transportable -); Rental of chairs, tables, table linen, glassware; Rental of tents; Rental of transportable buildings. This leaves services related to Temporary accommodation. This term would include services that are not provided by hotels, such as short-term lets of flats or houses, and so would in my view be too broad. An appropriate subcategory would be Temporary hotel accommodation and Reservations (temporary hotel accommodation).

52. The Opponent's complaint is that whilst the Hearing Officer adequately stated the law on fair protection at [42 and 43], she then failed to apply the relevant legal principles to the facts. According to the Opponent the reference to "hotels" was too narrow. As set out in Mr Alkin's skeleton argument the supposed error of principle was that:

"*In adopting this, the narrowest possible limitation, the Hearing Officer did not turn her mind to the perceptions of the average consumer of hotel services (cf. Euro Gida Sanayi cited at §43). Such services commonly extend beyond standard hotel rooms to serviced apartments that combine self-catering facilities with cleaning and laundry services (a combination that is sometimes referred to as an 'aparthotel'). Such hybrids are fairly within the scope of hotel services".*

53. According to the Opponent, *"the proper limitation (if limitation be needed) is insertion of the qualifier 'serviced' in place of the Hearing Officer's 'hotel'".*

54. The Opponent made no submissions to the Hearing Officer on "fair specification" or the likely perceptions of hotel service consumers.

55. In my judgment the Hearing Officer made a perfectly reasonable assessment of the fair specification in class 43, given the evidence showed the Opponent's business was in hotels, a wide and well-established category in this field. It is certainly not the "narrowest possible limitation". In fact, it could be argued that the proposed alternative is narrower being, as Mr Alkin said "within the scope of hotel services" although I make no finding to that effect..

56. For what it is worth, as Mr Alkin conceded, the scope of the UK '448 specification includes the disputed terminology within "*Temporary accommodation services"*. Apparently, *though*, the Opponent ran this ground of appeal simply as a point of principle, because it did not want it to be thought that it accepted that it should be limited only to hotel services. To which I cannot help but observe that if the principle was that important and the Opponent had wanted the Hearing Officer to consider a more nuanced specification, it should have made submissions to her on the matter.

57. Ground 3 fails.

S. 5 (2) (b)

Ground 4 – Visual Similarity

58. The Opponent complained that the Hearing Officer discounted colour in visually comparing the marks.

59. The Hearing Officer dealt with this issue at [76-79]:

"76. The respective marks are shown in the table below. The contested marks are, of course, a series. The only difference between the marks is the colour used. I shall focus my comparison on the first mark in the series, which is in grayscale, and bring in issues of colour where appropriate.

Earlier mark	**Contested mark**
	

77. The earlier mark consists of a large capital letter W in standard sans serif font. The overall impression of that mark lies in this letter. At this point, I note that a mark registered in black and white covers use of the mark in colour: see Specsavers International Healthcare Limited & Ors v Asda Stores Limited, [2014] EWCA Civ 1294 and J W Spear & Sons Ltd v Zynga, Inc. [2015] EWCA Civ 290, paragraph 47.

78. The contested mark consists of a large capital W comprised of triangles in different shades. Below the letter can be found the words "WELLS & CO" in smaller capital letters. The final "O" is raised above a small triangle. Below these words is "EST 1876" with a small triangle separating the letters and the date. In the coloured versions of the mark, this phrase is shown in one of the colours used in the large W. The opponent submits that the dominant and distinctive element of the mark is that capital letter, while the applicant submits that it would be recognised as the first letter of the word "WELLS". It is my view that because of its size and position, the capital W will make the greatest contribution to the overall impression of the mark; however, the words "WELLS & CO" also play a role, albeit a lesser one. The final line of text makes an even lesser contribution, as the size is so small that it would require some effort for many consumers to read it.

Visual comparison

79. The opponent submits that the marks are highly similar, while the applicant's position is that they are similar only to a very low degree. They both share the capital letter "W", although I note the difference in stylisation and the additional words in the contested mark. The complex colour arrangement of the contested mark would, in my view, not be covered by normal and fair use of a black and white mark in colour. I find that the marks are visually similar to a low to medium degree.

60. In his skeleton Mr Alkin argued that it was not clear what the Hearing Officer meant when referring at [79] to the "complex colour arrangement" of the Contested Mark. He submitted that although the predominant colour of each variant of the Contested Mark is textured by the use of tonally distinct panels, each variant has a predominant colour. It followed, he explained, that each variant should have been compared with the Earlier Mark in the same predominant colour. Once that was done, "*details of texture and the precise in the shape of the central point of the 'W' become insignificant points of detail that are liable to go unnoticed by the average consumer. Accordingly, the Hearing Officer should have found the dominant and distinctive component of the two marks visually identical".*

61. Mr Alkin developed this before me, saying that *"what the Hearing Officer is doing…is taking colour off the table altogether"*, because the colour in the contested mark is textured. Had she taken colour properly into account, he said, the Hearing Officer would have elevated the level of visual similarity to medium.

62. To be fair to him, Mr Alkin acknowledged that if his only complaint was that the Hearing Officer should have determined the level of similarity was "medium", rather than "low to medium" then as per *GREYBOX*[2] then this was merely a disagreement about weight that was not amenable to appeal. However, he argued that the discounting of colour, if that was what it was, amounted to an error of law.

63. In response, Mr Carter submitted that the supposed "error of principle" – discounting colour – was simply not present, that the Hearing Officer's evaluative assessment was entirely within her discretion, and that the Opponent was effectively trying to get a rehearing on this point.

64. I do not agree with Mr Alkin that the Hearing Officer discounted colour. On the contrary, from [76-79] to me it is clear that she very much took it into account and was well aware of her responsibility to do so. Having done so, she found - as she was perfectly entitled to do by way of an evaluative assessment

[2] BL O/106/20 per Mr Iain Purvis QC at [23]

– that even allowing for situations where the Earlier Mark would be predominantly in the same colour as the Contested Mark, taking into account the overall differences, *including* the textured and shade-differentiated pattern of the capital W in the Contested Mark, there was a only level of low-medium similarity.

65. Furthermore, if the Opponent had wanted to try to influence the Hearing Officer's treatment and weighting of colour in reaching her assessment, the time to do so was at first instance. I note that there was no reference to colour generally, or to the impact/weight attributable to shading/complexity of arrangement, in the Opponent's submissions on visual similarity at first instance. The Hearing Officer was left to make her own evaluative assessment as she saw fit, and she did so quite properly.

66. Ground 4 fails.

Ground 5 – Lack of Conceptual Comparison

67. The Opponent's complaint is that the Hearing Officer erred in holding that no conceptual comparison could be made between the marks. On the contrary, it argued the presence in both marks of the dominant letter W would have enabled such a comparison to be made. Had it been made the proper conclusion should have been that the marks were conceptually similar to a high degree.

68. The Hearing Officer dealt with this at [81]:

"81. The average consumer would, in my view, understand the word "WELLS" to refer to the name of the individual who founded the applicant, although it is also a word used in the English language to refer to shafts in the ground which are means of obtaining water or oil. The opponent submits that the presence of the large letter "W" makes the marks conceptually highly similar. It has not explained what meaning it believes the letter has, beyond simply being a letter of the alphabet. In my view, the earlier mark has no conceptual content and so a comparison is not possible."

69. Taken alone, the logic of the last line of this paragraph is not easy to understand. As the Opponent said, W does have at least *some* conceptual, or at least semantic, content. Consumers will know that, taken alone, it is a letter of the alphabet and a phoneme.

70. Mr Alkin referred me to the example of Case T-824/16 *Kiosked Oy Ab v EUIPO* (letter K) at [66]:
"As regards the conceptual comparison of two marks which consist of the same single letter, it must be stated that the graphic representation of a letter is likely to evoke a very distinct entity in the mind

of the relevant public, namely a particular phoneme. In that sense, a letter refers to a concept" (my emphasis added).

71. Thus, Mr Alkin submitted that given the presence of the dominant letter W in both marks, a conceptual comparison could and should have been made. Not having done so the Hearing Officer went into the global appreciation *"with the erroneous view that there was no conceptual similarity…whereas in fact there is".*

72. Mr Carter, for the Applicant, submitted that in effect, the Hearing Officer had taken the concept of the letter W into account, but had found that the Contested Mark, viewed overall, was a "WELLS" mark.

73. I can see where Mr Alkin is coming from and at first glance it is an attractive submission. However, standing back I am not persuaded. *Kiosked* concerned the comparison of two single letter marks and, as the cited passage makes clear, the evocation of the particular phoneme was dependent on that factor. In contrast, the Contested Mark contains other elements – in particular the word WELLS – which can lead to different evocations, such as the letter W being an initial for WELLS. Indeed, Mr Alkin accepted that interpretation although he did not accept that affected the conceptual impact of W in the later mark as such. The point is, though, that signs are not necessarily conceptually similar, or even capable of conceptual comparison at all on any meaningful level, just because they share or refer to the same letter [3]. Context is important.

74. Looking at the contested passage in its entirety, it seems to me the Hearing Officer was alert to the fact that the Earlier Mark had some conceptual content in the nature of it being a letter of the alphabet, but no more than that, and on that basis felt it could not be meaningfully compared with what she saw, in its entirety, as a "WELLS" mark (notwithstanding the common presence of the letter W). In terms, she was carrying out a conceptual comparison, only to find that in her view there was no shared concept. In her explanation, I suspect the Hearing Officer was agreeing with, or at least echoing, the Applicant's submissions in lieu before her that "*…no conceptual comparison is possible. The trade mark the subject of the Application comprises one letter, two words and the "&" symbol and the mark the subject of the Registrations all comprise the single letter W or the word "The" in combination with the letter W".*

75. Furthermore, the Hearing Officer had acknowledged at [80] that in the aural comparison "*the consumer would at least articulate the word "WELLS" as the letter "W" would be identified as the initial*

[3] See for example, the discussion in EUIPO Grand Board of Appeal case R-551/2018-G "A" [85-89]

of that word, which conveys more information than a letter" from which it is clear she saw the letter W in the Contested Mark as something more than just an evocation of the letter alone.

76. I note the Opponent did not make any argument below to counter the weight of the additional elements in the Contested Mark, relying only on the common presence of the letter W. This despite the fact the Applicant had trailed its counterpoints in earlier submissions during the evidence rounds.

77. Standing back, it seems to me this is one of those situations where the decision might have been better expressed, but that as cautioned by the authorities I should not thereby treat it as containing an error of principle. Having assessed the rival conceptual content of the two marks, and without the benefit of further argument from the Opponent below, the Hearing Officer was left to evaluate matters herself. She was therefore entitled to find that, on the facts, a conceptual comparison could not be made, having regard to the overall content of both marks. Possibly, others might have expressed it as a finding of conceptual dissimilarity, but the effect would have been the same, in my judgment.

78. Ground 5 fails.

Ground 6 - The Hearing Officer was wrong to determine that the distinctive character of the Earlier Mark had only been 'slightly' enhanced by use.

79. Mr Alkin submitted that the Hearing Officer's error "was in failing to stand back and appreciate that a well-publicised addition to the London luxury hotel scene was a rare event that rapidly served to establish 'W' as a hotel brand among hotel consumers in the UK". To which (in the absence of any argument or evidence to that effect before her) the answer on appeal is "Why should she have done so?"

80. I note the Opponent said nothing about enhanced distinctive character, or in particular about the supposed impact on distinctiveness of the rarity of a new luxury hotel launch, in its submissions below.

81. Not only can the Hearing Officer be presumed to have read all of the evidence, but it can be seen from her reviews at [26-37] and [87-94] that she did so in depth. Furthermore, Mr Alkin did not suggest the Hearing Officer had missed anything in the evidence. The submission, therefore, is no more than that the Hearing Officer erred in the weight she gave to the evidence and in her evaluative approach to the issue.

82. There is nothing in the Opponent's submissions on appeal that persuades me the Hearing Officer's evaluation and conclusion was anything other than completely justified. The Opponent's case is simply a further attempt to re-hear the matter.

83. Ground 6 fails.

Ground 7 - The Hearing Officer erred in finding there was no likelihood of direct confusion because she failed to give due consideration to "imperfect recollection" in her assessment.

84. Having reviewed the law and principles, the Hearing Officer set out her conclusions at [99]:

"First, I shall consider whether there is a likelihood of direct confusion. While I found that large letter "W" would make the greatest contribution to the overall impression of the contested mark, I also found that the word "WELLS" would play a role. In my view, the average consumer would associate the letter with this word. In addition, I must bear in mind that the average consumer generally perceives a mark as a whole. While I appreciate that the average consumer might recollect either mark imperfectly, I consider that the differences between them are such as to make it unlikely that, even where the goods and services are identical, there will be direct confusion, which, as Mr Purvis stated, involves the consumer mistaking one for the other".

85. Mr Alkin, understandably, accepted this was a "downhill point". He submitted that there needed to be some further analysis of imperfect recollection but "*there is just simply a statement of the principle followed by the bare assertion of the conclusion".* He submitted that the Hearing Officer should have considered whether the average consumer would positively recall the absence of additional text in the Earlier Mark when seeing the Contested Mark and that "*Against that background, the presence of the subsidiary word 'WELLS' in the Contested Mark does not serve to distinguish the marks".*

86. It will come as no surprise that no mention of this was made below.

87. I do not agree with Mr Alkin. The Hearing Officer's assessment was more than sufficient to demonstrate her reasoning, which was that even allowing for imperfect recollection the differences were sufficient to differentiate the marks. That is all that needs to be said, given the Opponent made nothing of its point below.

88. Ground 7 fails.

Ground 8 - Indirect Confusion

89. It is not disputed that the Hearing Officer reminded herself correctly (at [96-98]) of the principles applicable to findings of direct and/or indirect confusion as set out in L.A. *Sugar Limited v Back Beat Inc,* BL O/375/10 by Iain Purvis QC, and as further explained by Arnold LJ in *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207:

96. There are two types of confusion: direct and indirect. In L.A. Sugar Limited v Back Beat Inc, BL O/375/10, Iain Purvis QC, sitting as the Appointed Person, explained that:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised 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.'

17. 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)."

97. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

"This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition."

90. The Hearing Officer then determined the issue of indirect confusion at [100]:

"Turning to indirect confusion, I see no reason why the average consumer would assume that the marks belong to the same or connected undertakings. The earlier marks are not so highly distinctive that it is plausible that only one undertaking would be using them, even taking into account the slight enhancement of that distinctiveness. I would make the same finding in the absence of the applicant's evidence. Furthermore, the average consumer would identify the differences in stylisation of the letter "W" in each of the marks. I find there is no likelihood of indirect confusion."

91. Mr Alkin sought to persuade me that the Hearing Officer erred in that her analysis clearly focussed only on sub-category (a) of Mr Purvis's list, contrary to the principle highlighted by Arnold LJ that this is not an exhaustive list. Mr Alkin said that by focussing only on category (a) and discounting it, the Hearing Officer discounted indirect confusion altogether. The lack of reasoning as regards other possibilities demonstrated this. Notably, though, he did not argue that category (b) or (c) applied – indeed they clearly could not. Instead, after going through a comparison of the marks and citing the luxury nature of the Opponent's marks/business, he argued that on a proper analysis of the facts (in particular the common dominant W and the luxury nature of the Opponent's brand) the Hearing Officer should have concluded more generally that the marks were variants.

92. Mr Carter says this is no more than an attempt to re-hear the matter.

93. I do not agree with Mr Alkin that the Hearing Officer discounted indirect confusion. Merely because the Hearing Officer did not expressly mention other possibilities to Mr Purvis's scenario (a), it does not follow that she did not consider them within a reasonable scope. She had properly instructed herself on the law and, in particular, on *LA Sugar* and *Liverpool Gin*. *LA Sugar,* in particular, instructs decision makers to consider whether consumers see the later mark as a variant in a general sense as well as by reference to Mr Purvis's examples: *"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".*

94. Furthermore, the Hearing Officer was clearly fully aware throughout of the factual matrix. The very points the Opponent contends should have been taken into account were, in my judgment, in the Hearing Officer's contemplation even though, once again, no mention of their relevance was pressed below. Indeed, indirect confusion was not mentioned at all in the Opponent's submissions in lieu. It is difficult to see Mr Alkin's submissions as anything more than an attempt have re-argue the matter.

95. I remind myself again that a Hearing Officer is not required to spell out every element of their decision and that they are an experienced tribunal. The Hearing Officer had reminded herself of the law and principles, both in the wide and more narrow exemplary sense. That being the case the Hearing Officer

was fully entitled to evaluate and discount the likelihood of indirect confusion as she did. There was no obligation on the Hearing Officer to expressly recite her consideration of alternatives or to deal specifically with evaluative arguments not raised expressly in argument. I cannot see any basis on which I should assume the Hearing Officer did not approach the assessment properly.

96. Ground 8 fails.

Ground 9 - The Hearing Officer erred in concluding that the Earlier Mark had only a "modest reputation".

97. No specific error of principle was put forward by Mr Alkin in support of this ground, it being dependent on the success of Ground 6, by which it was said the Earlier Marks should have been found to have a distinctive character significantly enhanced through use.

98. Since Ground 6 failed and the Hearing Officer assessed reputation on the same evidence, I cannot see any basis on which to impeach her assessment. Again, the complaint is one of mere disagreement.

99. Ground 9 fails.

100. Grounds 10-11 can be taken together.

Ground 10 - The Hearing Officer erred in concluding that the use of the Contested Mark would create no link;

And

Ground 11 - The Hearing Officer should have found that any such link would cause unfair advantage or detriment to the distinctive character or repute of the Earlier Marks.

101. As to Ground 11, Mr Alkin submitted that the Hearing Officer's errors as to conceptual similarity (Ground 5) rendered the finding that there was no link "unsustainable". Since the appeal on that point has already failed, both this dependent point and Ground 12 (which is in turn dependent on the success of Ground 11) fail also.

Ground 12 - The Hearing Officer erred in finding that use of the Contested Mark would not cause deception.

102. Mr Alkin accepted at the Hearing that this ground of appeal was co-extensive with those on likelihood of confusion under S. 5 (2) (b) and the appeal has failed in that respect.

103. However, Mr Alkin also submitted that the Hearing Officer should have taken into particular account that the Opponent's goodwill and reputation was in the luxury hotels field, not the hotel field at large (as per [117] of the Decision, which Mr Alkin nevertheless conceded was not challenged).

104. This point was not put to the Hearing Officer, who evaluated the matter entirely properly on the basis of what was before her and reached a perfectly reasonable conclusion. Once again, if the Opponent had wished to ensure this factor was within the Hearing Officer's evaluative contemplation, it should have run the point below.

Conclusion on the Appeal

105. The Appeal has failed in its entirety.

Respondent's Notice

106. The Respondent put forward its cross-appeal for consideration if the Opposition fell to be revisited. Since the Appeal has failed, the cross-appeal falls away.

Overall Conclusion

107. The Decision of the Hearing Officer stands, and the Application No. 3398910 shall proceed to registration for all of the goods and services for protection was sought.

Costs

108. The Applicant has been wholly successful and is entitled to a contribution to its costs. Neither side demurred from the application of the standard scale.

109. The Applicant was awarded costs of £1600 by the Hearing Officer, which order is confirmed..

110. The Appeal involved detailed pleadings and skeleton arguments on both sides and the attendance of counsel at a hearing.

111. I therefore award the Applicant:

a) £650 for considering the Notice of Appeal and preparing the Respondent's Notice;
b) £1600 in respect of representation at the Hearing.

112. The total of the costs awarded below and on this appeal is £3850.

113. I therefore order STARWOOD HOTELS & RESORTS WORLDWIDE, LLC to pay to CHARLES WELLS LIMITED the sum of £3850, this sum to be paid within 21 days of the date of this decision.

Philip Harris
Appointed Person
5 May 2023