BL O/1040/23

ON APPEAL TO THE APPOINTED PERSON

IN THE MATTER OF
the Trade Marks Act 1994 (the "Act")
-and-
United Kingdom trade mark application number 3580010
for VIA ART FUND (the "Application")
in the name of Via Art Fund, Inc. (the "Respondent")
-and-
opposition number 425885 thereto (the "Opposition")
by National Art Collections Fund (the "Appellant")

DECISION

Background

1. This is an appeal from the decision of Mr Andrew Feldon (the "**Hearing Officer**"), dated 22 December 2022 (the "**Decision**").

2. The Respondent filed the Application, for the sign 'VIA ART FUND' (the "**Sign**") on 15 January 2021 claiming an earlier priority date of 24 March 2015. Registration is sought for the following services (the "**Services**") in classes 35, 36 and 41:

35	conducting promotional and public awareness programs designed to encourage patronage and support for museums, galleries, and other visual arts institutions, exhibits, and art events; charitable services, namely, commissioning, purchasing, and acquiring works of art for the benefit of museums, galleries, and other visual arts institutions and art events for others;
36	charitable services, namely, funding the installation and exhibition of works of art by others; charitable fundraising services in the field of the visual arts; charitable foundation services, namely, providing funding for museums, galleries, exhibitions, scholarly research, publishing, residencies, scholarships, and educational programs in the field of visual arts; and

41 art exhibition services, namely, organizing the exhibition of works of art by others; conducting educational programs, namely, conducting classes, seminars, and conferences in the field of visual arts.

3. The Appellant opposed the Application under sections 3(1)(b), 3(1)(c), 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994. Under section 5(2)(b), the Appellant relied on UK trade mark registration number 2545349 (the “**Earlier Mark**”) for the series of two device marks:

and (the “**Logo**”),

These device marks are registered for goods and services in classes 35, 36 and 41 as follows:

35 advertising, marketing and promotional services; preparation and presentation of audio visual display for advertising purposes; dissemination of advertising matter; all of the aforementioned in the field of art;

36 charitable fundraising; financial sponsorship; provision of loyalty schemes; provision of online information relating to any of the aforesaid services; information services relating to any of the aforesaid; all of the aforementioned in the field of art; and

41 educational and cultural services namely, conducting classes, seminars, conferences, and workshops in the fields of art, sculpture, painting, engraving, pottery, ceramics; instructional and teaching services relating to all the aforesaid; production of sound and video recordings; arranging and conducting conferences; ticket reservation services; provision of online information relating to any of the aforesaid services; information services relating to any of the aforesaid; all of the aforementioned in the field of art.

4. Under section 5(4)(a) of the Act, the Appellant asserted that it had generated goodwill generated through use of the sign ‘ART FUND’ (the “**Earlier Sign**”) in relation to various services closely related to the services for which the Logo was registered.

5. The Hearing Officer rejected the Opposition in its entirety. His decision is appealed as set out below.

Appeal Relating to Sections 3(1)(b) and 3(1)(c)

6. The Appellant submitted that the Hearing Officer erred by making, but failing then to consider the consequences of, a finding that there was a relevant set of average consumers to whom the Sign was entirely descriptive (Ground 1). If, the Appellant submitted, the Hearing Officer had taken this sub-set of average consumers into account he would have found that the opposition under sections 3(1)(b) and (c) succeeded (Ground 2).

7. The central dispute on this limb of the appeal was whether the Hearing Officer had actually made a finding that there was a relevant set of average consumers who would find the Sign entirely descriptive.

8. At paragraph 46 if the decision the Hearing Officer made, in my view, a clear and unambiguous finding that Sign was not entirely descriptive. That paragraph states follows:

> *46. Having considered the submissions from both parties and the relevant case law above, I dismiss the grounds of opposition brought under section 3(1)(c) of the Act. I find that the term VIA ART FUND, when considered as a whole, is somewhat awkward in its construction. Whilst the individual components can all be said to be common everyday words with clear meanings, the term itself does not comprise an expression that consists exclusively of a sign or indication that designates a characteristic of the services at issue. In order to create a grammatically clear expression that might be argued to be entirely descriptive, further mental steps would have to be taken, or words added to the sign".*

9. Mr Muir Wood, who appeared from the Appellant, argued that paragraph 46 was not the end of the matter. He relied in addition upon the wording of paragraph 67. This states as follows:

> *67. …… The addition of the word VIA to the term ART FUND in the contested mark has been described by the opponent as serving to indicate that services provided by the applicant will be "by way of" or "through" an art fund. Whilst I am not wholly convinced that the contested mark will be perceived in the way that the opponent has suggested, due to the somewhat awkward construction of the whole, the shared concept in ART FUND suggests that these marks are conceptually similar to a high degree. It is however possible, that a part of the relevant public may perceive the contested mark in the way that the opponent suggests but this would not, in and of itself, increase the conceptual similarity in my view."*

10. The Appellant's primary submission was that the final sentence of paragraph 67 was a finding that there are two classes of average consumer, one of which will perceive the Sign as entirely descriptive. Alternatively, the Appellant asserted that if this was not the case, then paragraphs 46 and 67 were irresolvably inconsistent in a manner which made it necessary that I should consider the descriptiveness of the Sign *ab initio*.

11. Mr Muir Wood advanced these points with cogency and considerable force. However, I reject them for the following reasons.

12. There is no doubt in my mind that a reading of paragraph 67 which is consistent with paragraph 46 is difficult. However, the wording of neither paragraph sits in a vacuum. These paragraphs must be considered in context and when that is done I believe that it is clear that the Hearing Officer reached a clear view in paragraph 46 which he did not mean to qualify in paragraph 67.

13. First, the Hearing Officer appears never to have considered whether there was more than one class of average consumer. This is not surprising as the point was not submitted to him (as Mr Muir Wood confirmed to me) nor was it addressed in evidence. It follows that if paragraph 67 is a finding that there are two classes of average consumer, then it is a finding reached by the Hearing Officer of his own initiative (and as I explain below without any reasoning or explanation). For the reasons set out below, I do not believe that there is any reason to believe that this is what happened.

14. Second, the Hearing Officer's finding at paragraph 46 follows immediately from a detailed analysis of the submissions made by both parties. The Hearing Officer then goes on to reach on section 3(1)(b) and 3(1)(c) that is clearly based on that analysis. Save for the passage at paragraph 67, the Hearing Officer does not revisit the issue elsewhere. It follows that if paragraph 67 does represent a change from the decision in paragraph 46 it is a change that is not supported by any reasoning or analysis.

15. Third, beyond the inconsistencies between paragraphs 46 and 67, the Appellant did not point to anything which supported the proposition that there were two classes of average consumer.

16. Fourth, in the light of the matters I have referred to above the wording of paragraph 67 is not in my view clear enough in its expression to demonstrate that the Hearing Officer changed his mind and modified the finding made at paragraph 46.

17. On this basis I reject this limb of the appeal.

Appeal Relating to Section 5(2)(b)

18. The Appellant asserts that the Hearing Officer failed to take undertake a proper comparison of the Services and the Earlier Services (Ground 3).

19. In particular, the Appellant submitted that the Hearing Officer failed to turn his mind to the issue of similarity/identicality properly. Instead, it submits that when considering section 5(2)(b) he proceeded using a general assumption that the services were "similar at least to some degree" and therefore failed a) to take into account the services on a case-by-case basis and b) failed to take into account those services which were plainly identical.

20. The passage the Appellant complains of in this regard is set out at paragraph 59 of the decision as follows:

> *For the sake of procedural economy, for the purposes of the section 5(2)(b) pleading, I intend to proceed on the basis that all of the applicant's services are similar at least to some degree, to the services of the opponent's mark.*

21. After this passage the Hearing Officer then went on compare the marks in detail, the nature of the average consumer, the purchasing acts (by reference to the nature of the services in issue), and the likelihood of confusion. However he undertook no express comparison of services, and the nature of the services is referred to only in the context of potential purchasing acts.

22. The heart of the Appellant's complaint is that because the Hearing Officer made no comparison of the individual services, he therefore cannot have considered the issue of a likelihood of confusion properly.

23. I disagree. With the benefit of hindsight paragraph 59 could have been better expressed. However, that does not, in my view, lead to the conclusion that the Hearing Officer did not turn his mind to the comparison of services. On the contrary, as is made clear by his analysis of the potential purchasing acts makes clear (per paragraphs 80 and 81 of the decision), he had the nature of the services clearly in mind.

24. It is also clear that the primary factors underlying the Hearing Officer's decision on a likelihood of confusion derived from powerful arguments relating to the comparison of the distinctive elements of the contested marks. Thus:

> *89. Both parties have, I believe, accepted that the words ART FUND when combined, form a descriptive and non-distinctive term when considered within the context of the services at issue. I have found that the opponent's marks are inherently distinctive to an extremely low degree, and I believe that they are distinctive due solely to the overall "get up" of those marks, and largely because of the inclusion of the figurative heard element. I have found that the whilst the figurative element is quite small, it will certainly not go unnoticed and cannot be dismissed. I find in fact that it is this element that makes the largest contribution to the distinctiveness of the marks and plays a very important role in the impact that those marks have on the minds of the average consumer.*
>
> *90. The opponent has submitted that the word VIA in the contested mark is likely to be ignored or go unnoticed. I find this argument difficult to accept given the placement of that word at the beginning of the applicant's mark. I do not find that VIA should be downgraded to any degree within the contested mark, In fact, I believe that, due to its position in the mark, it will be given significant weight within the whole.*

25. It is on this basis, that the Hearing Officer reached the following conclusion at paragraph 91:

> *As such, given the entirely descriptive, non-distinctive nature of the combination ART FUND/ArtFund, and an at least medium level of attention being paid by both sets of consumers, I believe that the differences in the marks are sufficient to ensure that the average consumer will not mistake one for the other.* ***I find that this would be the case even in the event that all of the services in issue were considered identical****.*

26. In my view there is nothing inherently wrong with that conclusion. It might perhaps have been better had the Hearing Officer made more express reference in the judgment to the position where the services were identical, but in the light of the remainder of his findings there was, in my view, no necessity for him to do so. Put simply, the comparison of the marks trumped all other factors.

27. The Appellant also challenged the way in which the Hearing Officer assessed the comparison of the Logo and the Earlier Sign (as set out in, inter alia, paragraphs 89-91 of the decision referred to above). The Appellant submitted that:

    a. the Hearing Officer wrongly stated that the Appellant had accepted that the words ART FUND in the Earlier Sign were entirely descriptive (Ground 4), and

    b. the Hearing Officer wrongly ignored his finding that the figurative elements of the Earlier Sign would be ignored in any aural or conceptual comparison (Ground 5).

28. In relation to Ground 4 Mr Muir Wood conceded that there was no pleaded case of enhanced distinctiveness (even though a passing off case under section 5(4)(a) was run). Instead the Appellant advanced its appeal the basis that Appellant's case before the Hearing Officer had been that the words of the Earlier Sign alone were capable of indicating origin. In support of the latter contention, the Appellant relied upon an finding in a separate case that the Earlier Sign had been subject to genuine use. To this extent the Appellant submitted that there was no concession that the words ART FUND were wholly descriptive.

29. There are considerable difficulties with this submission. First it cannot be ignored that for the purposes of the section 3(1)(b) and 3(1)(c) oppositions the Appellant argued that VIA ART FUND was an entirely descriptive term. The distinction between that submission and the submission that ART FUND solus is not descriptive is, at best, a very narrow one.

30. Furthermore, based on the evidence before him, and regardless of the question of whether an admission was made, I do not think that the Hearing Officer can be said to be wrong in finding that:

    > *... the opponent's marks are inherently distinctive to an extremely low degree, and I believe that they are distinctive due solely to the overall "get up" of those marks, and largely because of the inclusion of the figurative heard element*

31. That finding is, in my view, supported by the remainder of the decision, including in relation to the earlier section 3(1)(b) and 3(1)(c) arguments, and by the evidence. I therefore reject Ground 4.

32. In relation to Ground 5, the Appellant submitted that the Hearing Officer was wrong to place emphasis on the figurative elements of the Earlier Sign when considering the likelihood of confusion.

33. I reject this submission. As the Hearing Officer stated, it is settled law that it is important to bear firmly in mind that if the distinctiveness of an earlier mark has no counterpart in the mark alleged to be confusing similar, this will reduce not increase the likelihood of confusion. It follows that having found that the distinctiveness of the Earlier Sign lay in its figurative elements the Hearing Officer was entitled to reach a conclusion based on those elements.

34. Finally in relation to section 5(2)(b), the Appellant asserted that the Hearing Officer had erred in relation to the issue of indirect confusion. This ground was advanced on basis that as there was a class of average consumers who regarded VIA ART FUND as wholly descriptive, it was necessary to consider the likelihood of indirect confusion ab initio. As I have previously dismissed the first proposition, and as no other satisfactory error of principle was identified by the Appellant, I also dismiss this ground of appeal.

Appeal Relating to Section 5(4)(a)

35. The Appellant submitted that the Hearing Officer had erred in failing to find that it owned a goodwill in the Earlier Sign. That submission turns primarily on whether the Hearing Officer erred by ignoring the evidence that the Appellant was referred to as “Art Fund” (rather than as The Art Fund).

36. The Hearing Officer recorded the following conclusions in paragraphs 118-120 of his decision:

> *118. I have considered all of the information and evidence provided by Mr Smith and Mr Jones carefully and I take account of that information in my deliberations.*
>
> *119. On balance, taking account of the relevant case law outlined above, and having considered all of the evidence provided by both parties very carefully, I conclude that the opponent has not established that it holds a goodwill in a business where the words ART FUND will be perceived by the relevant public as being distinctive of that business.*
>
> *120. I agree largely with the submissions of Mr Smith with regard to the opponent’s evidence. The vast majority of the evidence points to use of marks which are not the sign relied upon. The mark most commonly shown throughout the evidence is the figurative mark:*
>
> ArtFund
>
> *which was relied upon under the section 5(2)(b) ground of opposition. It is this mark which I find is the mark mostly used by the opponent to promote itself. It is also the case that the expression ‘The Art Fund’ is commonly used by the opponent and by third parties*

including press and media. I accept that there is some use of the term 'ART FUND' within the opponent's evidence, however the descriptive nature of that expression results in a likelihood that the relevant public will attach no distinctive value to it when considering the services on offer.

37. The Hearing Officer then went on to examine the extent to which the evidence showed that the Appellant was referred to as Art Fund, rather than "The Art Fund". Having done so he concluded as follows:

> *127. I accept that "In certain cases, terms are prima facie descriptive but, with use, may acquire a secondary meaning" however I do not find that this is the case in this instance. The opponent's evidence shows use predominantly of the figurative mark or the sign THE ART FUND, which Mr Smith submitted is in essence a quite different sign to the words ART FUND solus. I have agreed with Mr Smith that the addition of 'THE' to the words ART FUND is significant and has an impact that will not be overlooked or ignored.*
>
> *128. Ultimately, the opponent believes that it has goodwill in a business in which the term ART FUND is a distinctive element that the relevant public will associate with it and upon which a reputation lies. The fact that the combination ART FUND is entirely descriptive and non-distinctive tells me that the term, in isolation, will be perceived simply as a description and not a badge of trade origin.*
>
> *129. Mr Smith submitted that: "The case law here is crystal clear here: the applicant cannot be precluded from using a term which is unambiguously descriptive or incapable of denoting origin, which we say the term Art Fund plainly is". I agree. The relevant public may well recognise the opponent's figurative mark and attribute services provided under that mark to the opponent, due to the distinctiveness and use of that mark. It will not, in my opinion ascribe the same significance to the plain expression ART FUND, which is clearly a non-distinctive, descriptive combination, and one which has been shown to be used by several other parties in the UK at the same time.*

38. Mr Muir Wood pointed to two aspects in the evidence where the Hearing Officer had apparently overlooked use of Art Fund solus:

    a. in the domain name of the Appellant's website – artfund.org. This had had 116 million visits between 2011 and 2014, and

    b. use in the Financial Times and Guardian of the Art Fund solus.

39. Mr Muir Wood also submitted that the Hearing Officer had failed to take into account that use of the Logo would contribute the goodwill in the earlier sign, particularly so given the Hearing Officer's finding that the figurative elements of the Logo would be ignored when it is used aurally or considered conceptually.

40. Both parties invited me to look at the evidence considered by the Hearing Officer. Having done so, and having carefully considered the Appellant's submissions, I can find no proper basis for finding that the Hearing Officer either erred in law or reached an unreasonable or unsupportable decision on the facts. He was in my view fully entitled to reach the decision he did, and it would not be appropriate for me in such circumstances to consider substituting another one.

CONCLUSION

41. For the reasons give above I dismiss the appeal. I am grateful for the clear and helpful submissions of Mr Muir-Wood (for the Appellant) and Mr Smith (for the Respondent). I also apologise for the length of time it has taken me to produce this decision.

42. It was common ground that the Respondent's representatives appeared pro bono and therefore that no order as to costs for this appeal was appropriate in the event the Respondent succeeded (as it has done). Likewise, no order as to costs was made at before the Hearing Officer for the same reason.

GEOFFREY PRITCHARD
THE APPOINTED PERSON

1 November 2023