

O/1133/23

TRADE MARKS ACT 1994

**CONSOLIDATED PROCEEDINGS**

IN THE MATTER OF APPLICATION NO. UK00003668720  
BY WORLD ADVENTURES LTD TO REGISTER:

**The Holiday People**

AS A TRADE MARK IN CLASSES 39 & 43

AND IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 427726 BY HOLIDAY PEOPLE LTD

AND

IN THE MATTER OF APPLICATION NO. UK00003712729  
BY HOLIDAY PEOPLE LTD TO REGISTER:



AS A TRADE MARK IN CLASSES 39 & 43

AND IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 431317 BY WORLD ADVENTURES LTD

## BACKGROUND AND PLEADINGS

1. These are consolidated proceedings between World Adventures Ltd (“WAL”) and Holiday People Ltd (“HPL”). I will first set out the background regarding the parties’ marks before setting out the basis of the respective oppositions.

### WAL’s mark

2. On 14 July 2021, WAL applied to register the trade mark “The Holiday People” in the UK. The mark was published for opposition purposes on 10 September 2021 and WAL seeks protection for the following services:

Class 39: Arranging holiday travel; Holiday travel reservation services; Arranging of holiday transport; Organisation of holiday travel; Package holiday services for arranging travel; Booking of holiday travel and tours; Travel agency services for arranging holiday travel; Arranging of excursions as part of package holidays; Arranging and booking of travel for package holidays; Arranging car hire as part of package holidays; Arranging of sightseeing tours as part of package holidays.

Class 43: Holiday accommodation services; Arranging holiday accommodation; Arranging of holiday accommodation; Holiday planning services [accommodation]; Arranging of accommodation for holiday makers.

### HPL’s mark

3. On 21 October 2021, HPL applied to register the following trade mark in the UK:



4. HPL's mark was published for opposition purposes on 21 January 2022 and HPL seeks protection for the following services:

Class 39: Travel booking agencies; Travel agency services for arranging travel; Travel agency services for arranging holiday travel; Agency services for arranging travel; Booking agency services for travel; Travel agency services, namely arranging transportation for travelers; Providing online information relating to travel; Booking agency services relating to travel; Agency services for arranging the transportation of travellers; Travel agency services, namely, making reservations and bookings for transportation; Travel reservations; Travel organisation; Travel organization; Travel reservation; Travel agents services for arranging travel.

Class 43: Travel agencies for arranging accommodation; Travel agency services for booking accommodation; Travel agency services for making hotel reservations; Travel agency services for reserving hotel accommodation.

#### HPL's opposition

5. On 25 October 2021, WAL's mark was opposed by HPL. The opposition is based on sections 5(4)(a) and 3(6) of the Trade Marks Act 1994 ("the Act") and is aimed at all of WAL's services.
6. Under its 5(4)(a) ground, HPL is relying upon the unregistered earlier right of 'HOLIDAY PEOPLE' that it claims to have used throughout the UK since 2020 for the following services:

"Travel booking agencies; Travel agency services for arranging travel; Travel agency services for arranging holiday travel; Agency services for arranging travel; Booking agency services for travel; Travel agency services, namely arranging transportation for travelers; Providing online information relating to travel; Booking agency services relating to travel; Agency services for arranging

the transportation of travellers; Travel agency services, namely, making reservations and bookings for transportation; Travel reservations; Travel organisation; Travel organization; Travel reservation; Travel agents services for arranging travel; Travel agencies for arranging accommodation; Travel agency services for booking accommodation; Travel agency services for making hotel reservations; Travel agency services for reserving hotel accommodation.”

7. HPL claims that as a result of the use of its sign, it had obtained a protectable level of goodwill in relation to the above range of travel agency services. Given the identical nature of the services and mark that WAL has applied for, HPL claims that use of WAL’s mark will constitute a misrepresentation that will lead consumers to believe that the services offered by WAL are those of HPL. As such, HPL claims that it is likely to suffer damage as a result, namely via diversion of sales or damage to its goodwill by dilution.
8. Under its 3(6) ground, HPL claims that WAL made the application at issue in the full knowledge of HPL’s use of the mark and that it was made with a view to exploiting HPL’s established goodwill. As a result, HPL claims that WAL acted in a way which fell short of the standards of acceptable commercial behaviour. Further, HPL sets out that WAL did not conduct searches or undertake due diligence prior to filing its mark, or has done so and decided to apply for the mark irrespective of HPL’s mark.
9. WAL filed a counterstatement wherein it denied the claims made against it.

#### WAL’s opposition

10. On 24 February 2022, HPL’s mark was opposed by WAL. The opposition is based on section 5(2)(b) of the Act and is aimed at all of HPL’s services and is reliant upon WAL’s mark.<sup>1</sup> The basis of the opposition is that there exists a likelihood of

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<sup>1</sup> I note that the original Form TM7 filed by HPL included additional grounds but, upon the re-filing of said form, these grounds were not included, leaving only the 5(2)(b) ground.

confusion between the marks at issue because they are similar and are to be registered for identical and similar services.<sup>2</sup>

11. HPL filed a counterstatement wherein it denied the claims made against it.
12. Upon the filing of the counterstatement in WAL's opposition, the Tribunal wrote to the parties on 24 June 2022 and confirmed that under Rule 62 of the Trade Marks Rules 2008, the proceedings would be consolidated.
13. HPL is represented by HGF; while WAL was legally represented throughout these proceedings, I note that those representatives removed themselves from the Tribunal's record on 26 May 2023. As a result, WAL is presently unrepresented. Only HPL filed evidence in chief. No hearing was requested and only HPL filed written submissions in lieu. This decision is taken following a careful perusal of the papers.
14. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

## **EVIDENCE**

15. HPL's evidence came in the form of the witness statement of Martin Phillip Jones dated 19 August 2022. Mr Jones is the Managing Director of HPL, a position he has held since January 2020, and his statement is accompanied by twelve exhibits, being those labelled MPJ1 to MPJ9 and MPJ11 to MPJ13 (it is noted that there is no exhibit labelled MPJ10).

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<sup>2</sup> I note that the Form TM7 refers to identical goods and given that only services are at issue here, I take this to be a typographical error on WAL's part.

16. I do not intend to summarise HPL's evidence or submissions at this stage in my decision but will discuss them where appropriate below.

## **MY APPROACH**

17. If HPL's opposition succeeds in full, WAL's trade mark application will be refused. As a result, WAL will no longer be permitted to rely on its earlier mark for the purpose of its own opposition. This means that WAL's opposition will fall away by virtue of being based on grounds solely reliant upon that mark. Therefore, I consider it appropriate to consider HPL's opposition first. If it succeeds, my decision will come to a close at that point. However if it fails, I will proceed to consider WAL's opposition.

## **DECISION**

### **HPL's opposition**

Section 5(4)(a)

18. Section 5(4)(a) states:

“(4) A trade mark 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,

(aa) [...]

(b) [...]

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.”

19. Subsection (4A) of Section 5 states:

“(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.”

20. Section 5A of the Act is also relevant to proceedings brought under 5(4)(a) grounds. This states as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

21. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “*a substantial number*” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

22. Halsbury's Laws of England Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

“Establishing a likelihood of deception generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation<sup>1</sup> among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source<sup>2</sup> or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

- (a) the nature and extent of the reputation relied upon,
- (b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the claimant;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and

- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

### Relevant Date

23. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander Q.C., as the Appointed Person, endorsed the registrar’s assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

“43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’ ”

24. WAL’s mark does not have a priority date. While the evidence discusses the history of WAL’s present domain, being ‘theholidaypeople.co’, there is nothing to suggest any earlier use of that domain name that may be capable of being considered as the start of the behaviour complained about. As a result, the relevant date for the present ground is the filing date of WAL’s mark, being 14 July 2021.

## Goodwill

25. The first hurdle for HPL under the present ground is that it needs to show that, at the relevant date, it had the necessary goodwill in its business and that the sign relied upon was distinctive and/or associated with that goodwill. Goodwill was described in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), in the following terms:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

26. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing of claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not

occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

27. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

28. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

29. Goodwill arises as a result of trading activities. The evidence before me sets out that HPL was established on 2 December 2019 and that its sign was used for the first time on 3 December 2019 to promote its online vacation booking platform. HPL confirms that it has used its sign consistently in relation to its business since its date of first used in December 2019.

30. According to the evidence, HPL operates solely online via its website 'www.holidaypeople.co'. I note that screenshots of this website are provided in evidence but these print outs appear to be dated 19 August 2022, which is over one year after the relevant date.<sup>3</sup> As such, I do not consider that these print-outs are necessarily reflective of the website as at the relevant date. Having said that, I have no reason to doubt the existence of the website as at that time.

31. The evidence sets out that HPL is registered with the Civil Aviation Authority (CAA) and that it also has an Air Travel Organisers' Licence (ATOL). A copy of documents confirming the existence of the ATOL registration with the CAA is provided.<sup>4</sup> From reviewing these documents and the narrative evidence, I note that the licence is held by a connected company, being Holiday People Retail Ltd. These are both steps that HPL states are mandatory for online travel agents. While noted, I do not consider that such evidence is of assistance to the issue of goodwill. I say this because while I appreciate that it may be a mandatory requirement, it does not speak to evidence of actual trading activities or the volume of the same.

32. In respect of sales figures, I note that HPL has provided evidence of its "global sales"<sup>5</sup> between 2019 and 2021. These are summarised below:

<b>Year</b>	<b>Global sales (in GBP)</b>
2019	10,000
2020	100,000
2021	70,000
Total	180,000

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<sup>3</sup> MPJ1

<sup>4</sup> MPJ2

<sup>5</sup> See paragraph 10 of the witness statement of Mr Jones

33. In respect of the above figures, it appears to me that the 2021 figures represent the entirety of sales accrued during that year.<sup>6</sup> Given that the relevant date sits in July of that year, it is inevitable that a significant proportion of these figures will have accrued after the relevant date. While I have no way to accurately determine how many of these sales figures are relevant, I will bear the issue in mind in making my global assessment. In addition, I note that HPL has referred to these sales figures as “global”; the use of that adjective is ambiguous, but I will proceed on an understanding that the reference to ‘global’ figures is to the *entirety* of the sales made rather than to the geographical spread of those sales to countries across the globe.

34. The evidence goes on to explain how a company like HPL makes money. As the travel agent for any bookings made through its website, HPL makes approximately 10 to 12% in commission of the total holiday value. Based on my understanding that the above figures refer to total sales (as opposed to total income), I am of the view that they relate to actual total sales figures and, based on the comments in the narrative evidence, the money actually made by HPL itself is 10 to 12% of that total.

35. The effects of the COVID-19 pandemic on the holiday industry during 2020 and a large part of 2021 are then discussed. HPL claims that the sales figures referred to above are around 5% of the expected figures had it not been for the pandemic. While I appreciate the hardships that the COVID-19 pandemic would have had on the industry, this claim is purely speculative and anyway has no impact on the assessment I must make in respect of goodwill stemming from actual trading activities.

36. HPL’s evidence sets out that it attracts around 5,000 visitors per month to its website from Google searches. While noted, there is nothing to demonstrate how many of these visits led to actual sales. Further, there is nothing to indicate whether all of these visitors were from the UK. While I appreciate that HPL is a UK-based

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<sup>6</sup> I say this because there is no indication that the figures conclude in July 2021

company, its website is a '.co' website and there is nothing preventing visitors from outside of the UK accessing the same.

37. In respect of a social media presence, the evidence shows that HPL has 2,160 followers on Instagram, 491 followers on Facebook and 119 followers on Twitter.<sup>7</sup> Firstly, the follower counts are not substantial. Secondly, given that the screenshots provided are dated 19 August 2022 (being over a year after the relevant date), it is not possible to determine the number of followers as at the relevant date. Lastly, the nature of social media accounts means that it is possible that some of these followers may be from outside the UK. Taking all of this into account, the social media evidence before me is of very little assistance.

38. The evidence goes on to discuss ongoing email marketing campaigns and claims that HPL sends approximately 500,000 emails per month to its existing database of contacts. Evidence of this is provided by way of screenshots setting out the title of the emails, the amount of recipients and the percentage of those recipients who either opened said emails or clicked links within the same. Having reviewed these, I note that only four emails are from prior to the relevant date. I have broken down the information regarding these emails below:

<b>Date:</b>	<b>Recipients:</b>	<b>Opens:</b>	<b>Clicks:</b>
13 January 2020	1,000	34.6%	0%
14 January 2020	944	21.3%	0%
12 July 2021	38,000	23.2%	0.6%
13 July 2021	49,000	7.7%	0.4%

39. This evidence, while representative of a marketing effort, is of very little assistance to the present issue. Firstly, the recipient figures are not overwhelming. Secondly, and perhaps most importantly, the percentage of recipients who actually clicked through to HPL's website is either zero or reflective of a very low level of engagement. Further, I note the email dated 13 July 2021 is a re-send of the email from 12 July 2021 so, essentially, the above covers just 3 emails.

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<sup>7</sup> MPJ3 and 4

40. HPL also states that it had also been working on its search engine optimisation and that, until the end of 2021, such optimisation returned 'Holiday People' as the top result on search engines. Screenshots taken from Google and Bing showing these results are provided in the evidence.<sup>8</sup> However, these are dated 19 July 2022 which is, again, over a year after the relevant date.

41. In terms of expenditure on advertising and promotion of HPL's business, the evidence sets out that, as an estimate, it has spent £20,000. While noted, there is no confirmation that this figure reflects the spend as at the relevant date or not. On this point, it is entirely possible, especially given the amount of evidence before me from after the relevant date, that this spend reflects the position as at the date of the evidence, being 19 August 2022. Further, HPL sets out that as the industry recovers from the COVID-19 pandemic, HPL envisages that this will increase going forward. This is noted but is not relevant to my assessment of the position as at the relevant date.

42. Lastly, the evidence goes on to discuss third-party recognition. In doing so, the evidence explains that it is a relative newcomer to the industry but, despite this, has received excellent reviews on a number of independent third party review sites. Evidence of this is provided by way of a print-out from BritainReviews.co.uk which shows that 100% of customers would buy from HPL again.<sup>9</sup> On this point, I appreciate that evidence of repeat customers is a factor in favour of the existence of goodwill, however, this evidence relates to responses that state the user *would* buy from HPL again and does not confirm whether they did or not. I accept that such reviews may be a positive sign, but in any event, as has been the issue throughout HPL's evidence, the screenshot is dated over one year after the relevant date and the responses provided could, therefore, have stemmed from after this date. Further, there is nothing to state the amount of reviews this score relates to and, lastly, I have nothing before me to suggest the readership or reach of BritainReviews.co.uk.

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<sup>8</sup> MPJ6

<sup>9</sup> MPJ7

43. As demonstrated in my summary above, there are a number of issues with the evidence provided. The most common issue is that a lot of it is from after the relevant date and, therefore, is of no assistance to my present assessment. While that may be the case, the sales figures and evidence of advertising spend are of assistance. The totality of HPL's evidence demonstrates that over a period of 25 months (19 of which being prior to the relevant date), it generated approximately £180,000 in sales and spent approximately £20,000 on advertising.<sup>10</sup> While noted, there is no indication as to how many sales these figures actually cover. In my view, this is a considerable factor here because holiday sales may reasonably cost multiple thousands of pounds. As such, it is reasonable to suggest that the global sales figures provided may only reflect a limited volume of actual sales. Lastly, there is no evidence of repeat custom.

44. Taking the entirety of the figures into account and comparing them to what is likely a very large market in the UK, they are clearly very low. In addition, having only launched in December 2019, the use before me covers a little over 19 months meaning that the use prior to the relevant date is not longstanding by any stretch.

45. In considering the issue of goodwill, I remind myself that a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its goodwill and reputation may be small.<sup>11</sup> While that may be the case, upon taking all of the above issues into account, I do not consider that the evidence before me is sufficient to warrant a finding that the level of trading activities undertaken by HPL prior to the relevant date results in a protectable level of goodwill in its business. In short, the demonstrated trading activities are not at a sufficient level and neither they are sufficiently longstanding to warrant such a finding.

46. Even if I am wrong to find that the low level of use before me is not sufficient to demonstrate a protectable level of goodwill, I am of the view that the allusive nature of the sign relied upon is such that it is not distinctive of HPL's business. While the

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<sup>10</sup> I say approximate on the basis that the sales figures include those for 2021 as a whole and the advertising spend may be reflective of the entire spend between December 2019 and August 2022. These figures are, therefore, likely to include sales or spend from after the relevant date.

<sup>11</sup> *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590

words 'HOLIDAY PEOPLE' are not directly descriptive of the services at issue, I am of the view that they are plainly allusive on the basis that they allude to the nature of the services at issue rather than being distinctive indicators pointing to HPL. In making this finding, I refer to the case of *McCain International Limited v Country Fair Foods Limited and Another* [1981] R.P.C. 69 (COA) wherein the Court of Appeal found that while a descriptive term may acquire a secondary meaning (as a reference to the source or maker of goods or services and, therefore, distinctive of the provider of those goods or services), any evidence in support of such must be extensive. In that case, the plaintiff's use of the descriptive term 'OVEN CHIPS' was considered to be extensive national use; however, the period of use was far too short (18 months) for a secondary meaning to have been acquired.

47. I appreciate that the present case is not on all fours with the *McCain* case on the basis that 'HOLIDAY PEOPLE' is clearly not as directly descriptive as 'OVEN CHIPS' was. However, HPL's sign is still allusive meaning that, in my view, the level and longevity of use required in order to give rise to a finding that 'HOLIDAY PEOPLE' is distinctive of HPL still needs to be at a higher level than that which is before me. As discussed above, the evidence before me is (at best) demonstrative of HPL only engaging in low levels of trading activity for a period of just over 19 months. I find that this is too low a level of use for too short a period of time in order to justify a finding that 'HOLIDAY PEOPLE', as at the relevant date, was distinctive of HPL's business activity.

48. To confirm, my primary finding is that the use before me is not sufficient to prove that HPL enjoyed a protectable level of goodwill as at the relevant date. However, if I am wrong on this point, my secondary finding is that the use before me is too low to demonstrate that the allusive sign relied upon was distinctive of HPL as at the relevant date. As a result, I find that HPL's reliance upon its unregistered right fails and, therefore, its 5(4)(a) ground is unsuccessful.

### **Section 3(6): legislation and case law**

49. Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith”

50. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, EU:C:2019:724, *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening*, Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH & Co KG (intervening)*, Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening)*, Case T-507/08, EU:T:2011:46. It summarised the law as follows:

“68. The following points of relevance to this case can be gleaned from these CJEU authorities:

1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].

2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].

3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have

registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacılık* at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].

5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].

6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].

9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].

10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].

11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacılık* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52].

13. Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration: *Psytech* at [88], *Pelikan* at [54]".

51. Before proceeding to consider the pleaded case, I note that HPL filed submissions wherein it set out that WAL has not rebutted any of its claims in respect of bad faith. Therefore, HPL submits that the only conclusion that can be made is that the lack of response is tacit acknowledgement and acceptance of HPL's allegations. While WAL did not file evidence or submissions in lieu of a hearing, it did file a counterstatement wherein it denied the bad faith claim against it. Regardless of the lack of evidence or further submissions, WAL has clearly denied that it has acted in bad faith. That being said, in the event that I am satisfied that HPL's evidence gives rise to a *prima facie* case of bad faith, WAL's failure to rebut the same via its own evidence or submissions means that the *prima facie* case must succeed. On this point, I remind myself that an allegation of bad faith is a serious allegation which must be distinctly proved and, in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). This means that it is not enough to establish facts which are as consistent with good faith as bad faith.<sup>12</sup>

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<sup>12</sup> See the case of *Red Bull* (cited above)

52. HPL's claim under the present ground is that WAL knew of (or at least ought to have known of) HPL's use of 'HOLIDAY PEOPLE' and, therefore, made the present application in the full knowledge that another party was using the mark. HPL claims that this was done with the intention to exploiting the established goodwill of HPL's mark and, as such, WAL acted in bad faith.

53. Firstly, I wish to discuss the knowledge point. In its counterstatement, I note that WAL accepted that it was aware of HPL's use of 'HOLIDAY PEOPLE' when it made its application. It did, however, deny that the application was made with a view to exploiting HPL's claimed goodwill.<sup>13</sup> Clearly it is not in dispute that WAL knew of HPL's use of 'HOLIDAY PEOPLE' as at the date of its application (being the relevant date for this assessment). However, in respect of this point, I remind myself of paragraph 40 of *Lindt* (cited above) which states that:

“the fact that an applicant knows or must know that a third party has long been using [...] an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought is not sufficient, in itself, to permit the conclusion that the applicant was acting in bad faith.”

54. It is not enough to suggest that WAL simply being aware of HPL's use of 'HOLIDAY PEOPLE' means that WAL acted in bad faith for its own registration. There must be something more. Given the nature of the pleaded case, in order to find bad faith I must be satisfied that WAL sought to exploit HPL's claimed goodwill.

55. From reviewing the evidence before me, HPL's position is that it became aware of WAL's intention to launch its brand in mid-July 2021 after discovering its website after HPL conducted searches for its own business to see how it was positioned on different search engines. Upon realising the presence of WAL, HPL (through its director Nick Jackson) sought to contact WAL via LinkedIn on 14 July 2021.<sup>14</sup> The evidence claims that following this correspondence, WAL filed the mark at issue.<sup>15</sup>

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<sup>13</sup> On this point I note that WAL denies the existence of any goodwill

<sup>14</sup> I note that HPL's evidence, in discussing the issue of bad faith, makes reference to dates in both 2021 and 2022. It is my view that the reference to 2022 when discussing this point is clearly a typographical error and is intended to read as 2021. For the purpose of this decision, I will refer to 2021.

<sup>15</sup> See paragraphs 28 to 30 of the witness statement of Mr Jones

WAL, in its counterstatement, admitted that it was contacted by HPL, but does not confirm when this was or whether the application was made off the back of said correspondence or not.

56. WAL filed its trade mark application on 14 July 2021, having been contacted by HPL on LinkedIn on that date, I do not consider that it automatically follows that WAL acted in bad faith by applying for its mark. The trade mark system generally operates on a first-to-file basis. It could reasonably be said that the application was made with the honest intention of WAL seeking to protect its own business upon the realisation that HPL may also seek to register its mark.

57. In addition, if HPL became aware of WAL's online presence and use of 'HOLIDAY PEOPLE' in mid-July 2021 (which is when the relevant date was), then I consider it reasonable to assume that WAL must have already taken steps to launch its business (and, with it, use of its mark) prior to that time. Therefore, it does not follow that WAL only sought to launch a business in the name of 'HOLIDAY PEOPLE' (and to file a trade mark application for the same) upon being contacted by HPL on 14 July 2021. On this point, even if there were evidence before me demonstrating that WAL knew of HPL's use in the lead up to the initial contact from HPL, there needs to be evidence that WAL acted with a dishonest intention. Put simply, there is nothing to suggest as such.

58. The evidence before me also goes into detail regarding the domain name that WAL uses and the fact that it has been in existence since March 2004, being when it was linked to a company called the Tom Allen Partnership. There is a range of evidence on this point to demonstrate that ownership of the domain did not transfer to WAL until at least the start of 2022.<sup>16</sup> This is, in my view, inconsistent with the evidence discussed above wherein HPL stated that it became aware of WAL's online use of its mark in mid-July 2021 thereby implying that WAL was using its website at that time. Even ignoring this, I fail to see how the issue of the ownership of WAL's website is of any relevance here. To me, the allegation that WAL may not

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<sup>16</sup> MPJ12 and 13

have owned its domain name until early 2022 is not indicative that it sought to exploit the alleged goodwill of HPL.

59. Lastly I note that, as part of HPL's pleadings, it claims that WAL did not conduct searches or undertake due diligence prior to filing its mark. However, it is not the case that if an applicant does not conduct a search or do its 'due diligence' in applying for a mark then it is acting in bad faith if it just so happens to apply for a mark that is similar or identical to that of another undertaking. Such an argument has no merit here, particularly given that there is nothing to suggest dishonest behaviour on the part of WAL.

60. Taking all of the above into account and bearing in mind that, as set out above, a bad faith allegation is a serious one that needs to be distinctly proved, I do not consider that HPL's evidence gives rise to the existence of a *prima facie* case for bad faith. As a result, HPL's 3(6) ground fails.

61. Given that HPL's opposition has failed in its entirety, I will now proceed to consider WAL's opposition.

### **Section 5(2)(b): legislation and case law**

62. Section 5(2)(b) of the Act reads as follows:

“(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 or association with the earlier trade mark.”

63. Section 5A of the Act states as follows:

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

64. The trade mark relied on by WAL qualifies as an “earlier trade mark” for the purposes of this decision since it was applied for at an earlier date than HPL’s mark.<sup>17</sup> WAL’s mark has yet to complete its registration process so, plainly, cannot have completed it more than five years prior to the filing date of WAL’s mark (being the requirement to trigger the use provisions set out in section 6A of the Act). WAL can therefore rely upon all of the services in its mark’s specification.

65. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (“OHIM”)*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

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<sup>17</sup> See Section 6(1)(a) of the Act

- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) 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;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

## Comparison of services

66. The competing services are as follows:

WAL's services	HPL's services
<p><u>Class 39</u> Arranging holiday travel; Holiday travel reservation services; Arranging of holiday transport; Organisation of holiday travel; Package holiday services for arranging travel; Booking of holiday travel and tours; Travel agency services for arranging holiday travel; Arranging of excursions as part of package holidays; Arranging and booking of travel for package holidays; Arranging car hire as part of package holidays; Arranging of sightseeing tours as part of package holidays.</p> <p><u>Class 43</u> Holiday accommodation services; Arranging holiday accommodation; Arranging of holiday accommodation; Holiday planning services [accommodation]; Arranging of accommodation for holiday makers.</p>	<p><u>Class 39</u> Travel booking agencies; Travel agency services for arranging travel; Travel agency services for arranging holiday travel; Agency services for arranging travel; Booking agency services for travel; Travel agency services, namely arranging transportation for travelers; Providing online information relating to travel; Booking agency services relating to travel; Agency services for arranging the transportation of travellers; Travel agency services, namely, making reservations and bookings for transportation; Travel reservations; Travel organisation; Travel organization; Travel reservation; Travel agents services for arranging travel.</p> <p><u>Class 43</u> Travel agencies for arranging accommodation; Travel agency services for booking accommodation; Travel agency services for making hotel reservations; Travel agency</p>

	services for reserving hotel accommodation.
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67. When making the comparison, all relevant factors relating to the services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

“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 intended purpose and their method of use and whether they are in competition with each other or are complementary”.

68. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance

whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

69. The General Court confirmed in *Gérard Meric v OHIM*, Case T-133/05, that, even if goods are not worded identically (though it equally applies to services), they can still be considered identical if one term falls within the scope of another or (vice versa):

“29. 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 trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

### Class 39

70. WAL's list of class 39 services includes services such as “travel agency services for arranging holiday travel”, “holiday travel reservation services” and “booking of holiday travel and tours”. These services encompass the below services of HPL and are, therefore, identical under the principle outlined in *Meric*.

“Travel booking agencies; Travel agency services for arranging travel; Travel agency services for arranging holiday travel; Agency services for arranging travel; Booking agency services for travel; Booking agency services relating to travel; Travel agency services, namely arranging transportation for travelers; Travel agents services for arranging travel; Travel agency services, namely, making reservations and bookings for transportation; Agency services for arranging the transportation of travellers; Travel reservations; Travel organisation; Travel organization; Travel reservation.”

71. This leaves HPL's “providing online information relating to travel”. In my view, while these services are for the provision of information and not the arrangement of travel, they are closely related to services specified under the earlier mark, such

as “organisation of holiday travel;” and “holiday planning services [accommodation]”. While they differ in nature, method of use and purpose, they strongly overlap in trade channels because a travel agent is likely to also provide online information relating to travel. Further, someone looking to book a holiday via a travel agent is also likely to seek information in relation to the same. As such, there is also an overlap in user. Taking this into account, I consider that these services are similar to at least a low degree.

### Class 43

72. All of HPL’s services under class 43, namely “travel agencies for arranging accommodation”, “travel agency services for booking accommodation”, “travel agency services for making hotel reservations” and “travel agency services for reserving hotel accommodation” are identical under the principle outlined in *Meric* with “holiday accommodation services” and “arranging holiday accommodation” in WAL’s specification. This finding applies regardless of whether it can be said that WAL’s services encompass those services of HPL, or vice versa.

### **The average consumer and the nature of the purchasing act**

73. As the case law set out above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ services. I must then decide the manner in which these services are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Insc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words

“average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

74. I am of the view that the average consumer for the services at issue will be members of the general public at large. The services will be provided by travel agency providers who will either offer them through their physical premises or online via their websites. I find that the services are most likely to be selected after the consumer views them on signs on the high street or promotional materials (in hard copy or via mediums such as television or online). While the visual consideration will be an important part of the selection process (especially online), I do not discount the aural component playing a role, particularly when selected after discussions with travel agents or following a recommendation from previous customers.

75. I turn now to consider the level of attention paid for the services at issue. It is my view that consumers are likely to consider factors such as the knowledge of the agents, destinations/excursions offered, protection in the event of cancellation of booking and, of course, the price of holidays offered when compared against direct bookings or those of competing agencies. While I appreciate that holidays may range from being relatively cheap to very expensive, I do not consider that the ultimate price paid for a holiday necessarily factors into the decision to select the travel agency service itself. For example, just because a user may look to book a longer, more expensive holiday, I do not consider that they would necessarily pay any higher degree of attention than that of a user looking to book a short city break. All things considered; the factors are likely to be the same as those set out above. Bearing all of this in mind, I am of the view that the average consumer, when selecting the services at issue, is likely to pay a medium degree of attention.

### **Comparison of the marks**

76. It is clear from *Sabel v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the

overall impressions created by the trade marks, bearing in mind their distinctive and dominant components.

77. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“... it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

78. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

79. The respective trade marks are shown below:

WAL's mark	HPL's mark
THE HOLIDAY PEOPLE	

### Overall Impression

80. HPL's mark is a figurative mark that consists of a device element and a word element. The device element sits at the beginning of the mark and is a yellow circle within which sits a yellow plane. The image of a plane has very little distinctive character when used in respect of travel services. Following this element are the

words 'HOLIDAY' and 'PEOPLE'. 'HOLIDAY' sits above 'PEOPLE' and both words are presented in black and in a standard typeface. As consumers are naturally drawn to elements of marks that can be read, I am of the view that 'HOLIDAY PEOPLE' will play a greater role in the overall impression of the mark, with the device element playing a lesser role. In respect of the presentation of the mark (namely the stacking of the words), I am of the view that this has very little impact on the mark.

81. As for WAL's mark, this is a word-only mark that consists of the words 'THE HOLIDAY PEOPLE'. The word 'THE' is simply the definite article and I consider that the words 'HOLIDAY PEOPLE' play a greater role in the overall impression.

#### Visual Comparison

82. Visually, the marks share the words 'HOLIDAY PEOPLE', the dominant elements of both marks. While HPL presents these words in a different typeface, it is still standard. As WAL's mark is a word-only mark, it can be displayed in any colour and any standard typeface. This extends to the same typeface as that used by HPL, so I do not consider that the differing uses of typefaces is a factor in the present assessment. The points of difference between the marks are the word 'THE' in WAL's mark (absent from HPL's mark) and the device element in HPL's mark, and the fact that 'HOLIDAY' and 'PEOPLE' are stacked on top of each other. These points of visual difference are based on elements that play lesser roles in the overall impression of the respective marks, and as such I consider that they will only have a slight impact on the visual comparison. I find that the marks are visually similar to a high degree.

#### Aural Comparison

83. The marks are aurally similar to a very high degree.

## Conceptual Comparison

84. Conceptually, HPL's mark conveys one of two messages. The first is that of a reference to people who go on holiday. The second is of a reference to those people who arrange holidays for others. As for the plane device, this serves to indicate that the holiday destination is reached by an aeroplane. As for WAL's mark, I am of the view that this tends to convey the message of those that arrange holidays for others. Aside from the specificity of HPL's mark referring to travel by aeroplane, the marks share the same concept. Given that the only point of difference is a reference to a specific form of travel, its impact as a point of conceptual difference is very slight. Overall, I consider that the marks are conceptually similar to a very high degree.

### **Distinctive character of the WAL's mark**

85. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as

originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

86. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it. In the present case, WAL did not plead that its mark enjoys an enhanced distinctive character and neither did it file evidence of such. Therefore, I have only the inherent position to consider.

87. WAL’s mark is a word-only mark that consists of the words ‘THE HOLIDAY PEOPLE’. The services for which the mark is registered are a range of travel agency type services. While it does not expressly describe the services at issue, it is highly allusive of them. On this point, I remind myself of the case of *Formula One Licensing BV v OHIM*, Case C-196/11P which sets out that registered marks must be assumed to have at least some distinctive character.<sup>18</sup> As a result, I am of the view that WAL’s mark has a low degree of inherent distinctive character.

### **Likelihood of confusion**

88. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. There is interdependence between the factors such that a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective services and

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<sup>18</sup> I appreciate that WAL’s mark is yet to be registered. However, it has passed the examination procedure of this office and, as HPL’s opposition against it has failed, it will (pending any appeal) proceed to registration. Therefore, the principle outlined in *Formula One* remains valid.

vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

89. I have found the parties' services to be identical or similar to at least a low degree.

I have found that the average consumer for the services is a member of the general public at large who will, for the most part, select the services through primarily visual means, although I do not discount an aural component plying a part. I have concluded that the average consumer will pay a medium degree of attention when selecting the services at issue. In regard to the similarity of the marks, I have found them to be visually similar to a high degree, and aurally and conceptually similar to a very high degree. I have found that WAL's mark is inherently distinctive to a low degree. While that may be the case, I am reminded of the fact that the low distinctive character of an earlier mark does not preclude a likelihood of confusion.<sup>19</sup>

90. In undertaking the present assessment and bearing in mind the high degree of similarity between the marks, I am of the view that the only factor that points away from the existence of a likelihood of confusion is the low distinctive character of WAL's mark. While I accept that WAL's mark is indeed of a low distinctive character, a finding that there is no likelihood of confusion on this basis would require me to conclude that the consumer would disregard the similarity of the marks in favour of a consideration based on the low distinctive character of the shared element. I do not consider that this is something that the average consumer would do, particularly given the high degree of similarities between the marks. Put simply, 'HOLIDAY PEOPLE' (while carrying a low degree of distinctive character), is the dominant element of WAL's mark and has been reproduced in its entirety within HPL's mark, where it is the dominant element of that mark also.

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<sup>19</sup> *L'Oréal SA v OHIM*, Case C-235/05 P

91. Taking all of the above into account and bearing in mind the principle of imperfect recollection, it is my view that, upon being confronted by the parties' marks, the average consumer would likely misremember or inaccurately recall the marks at issue, mistaking one for one another. Consequently, I find that there is a likelihood of direct confusion between the marks. Further, I am of the view that the high degree of similarity between the marks is sufficient to offset the lower level of similarity between some of the services at issue. As such, I am of the view that my finding of confusion applies to all of the services in HPL's mark.

92. For the sake of completeness, I will now consider the likelihood of indirect confusion. In doing so I bear in mind paragraphs 16 and 17 of *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10. A likelihood of indirect confusion is based on circumstances wherein the average consumer notices the differences between trade marks but identifies those differences as indicators that the marks belong to the same or economically connected undertakings.

93. In the event that the differences between the marks at issue are noticed, I am of the view that the average consumer will consider that they marks emanate from the same or economically linked undertakings. I say this because, notwithstanding the presence of the word 'THE' in WAL's mark (which I consider may be overlooked in imperfect recollection), the differences between the marks are purely in the presentational elements. As such, I consider that the consumer will believe them to be logical indicators consistent with alternative marks used by the same or economically linked undertakings. For example, WAL's word only mark may be viewed by the consumer as being the mark used in the context of promotional text whereas HPL's figurative mark may be viewed as being that used in the context on company signage, packaging and/or promotional materials. Consequently, I consider that there is a likelihood of indirect confusion. As above, I consider that this finding applies in situations where the marks are viewed on services that are only similar to a low degree.

## CONCLUSION

94. HPL's opposition has failed in its entirety meaning that, subject to any appeal, WAL's application may proceed to registration for all services applied for. Conversely, WAL's opposition has succeeded in its entirety meaning that, subject to any appeal, HPL's application is hereby refused for all services applied for.

## COSTS

95. As WAL is the successful party in both oppositions, it is entitled to a contribution towards its costs. As these proceedings were commenced after 1 July 2016 but before 1 February 2023 and WAL was professional represented for the majority of these proceedings (only being unrepresented after all rounds had commenced) any costs award is to be based upon the scale published in Tribunal Practice Notice 2/2016.

96. In the present case, I note that WAL did not file its own evidence and neither did it file any written submissions in lieu. That being said, I will allow for a reduced costs award in respect of WAL having to consider HPL's evidence. In the circumstances, I award WAL the sum of £600 as a contribution towards its costs. The sum is calculated as follows:

Preparing a notice of opposition and considering HPL's counterstatement:	£200
Considering HPL's notice of opposition and filing a counterstatement:	£200
Considering HPL's evidence:	£100
Official fees: <sup>20</sup>	£100
<b>Total:</b>	<b>£600</b>

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<sup>20</sup> I note that the official fees as stated on the original TM7 were £200 on the basis that additional grounds were relied upon. However, those grounds were not relied upon in subsequent filings of the TM7 so I do not consider it appropriate to award costs for the filing of the opposition based on additional grounds.

97. I therefore order Holiday People Ltd to pay World Adventures Ltd the sum of £600.

This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 28<sup>th</sup> day of November 2023**

**A COOPER**

**For the Registrar**