

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION m 2123875

BY

FIONA ROBERTA HANKIN  
TO REGISTER THE TRADE MARK



---

AND

IN THE MATTER OF OPPOSITION BY

BY

AIR MILES INTERNATIONAL HOLDINGS NV  
THERE TO UNDER OPPOSITION m 47466

## DECISION

Fiona Roberta Hankin of the Hankin Partnership, 24 Tudor Road, The Farthings, Shrewsbury, Shropshire SY2 6TD applied on 15 February 1997 to register the above mark for goods in:

Class 16: 'Vouchers; paper for correspondence';

5 Class 35: 'Advertising customer loyalty concept in conjunction with ferry operators; operation and supervision of sales and promotion incentive schemes'; and

Class 39: 'Transportation of people by water'.

The application is opposed by Air Miles International Holdings NV on the following grounds:

10 ! s 5(2) because the Opponents marks and goods are similar or identical and there is a likelihood of confusion;

! s5(2)(b) as the Opponents marks are protected under s 6(1)(c) of the Paris Convention as well known marks;

15 ! s 5(4) because use of the Applicants mark is liable to be prevented by virtue of the law of passing-off and because the Opponents marks are protected under s 6(1)(c) of the Paris Convention as well known marks;

! s 3(6) because of the reputation and goodwill the Opponents have in their mark.

The Opponents are the proprietors of a large number of marks incorporating the words AIR MILES. Examples are shown in the Annex.

20 A counter statement is provided by the Applicants denying the grounds of opposition. Both Opponents and Applicants ask for their costs. No hearing was requested and a Decision has been made from the evidence submitted.

### The Evidence

25 The Opponents submitted two Statutory Declarations: one from Liam Cowdrey, a director of Air Miles International Holding NV and another from Linda Thorne the Marketing Director of Air Miles Travel Promotions Limited<sup>1</sup>.

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<sup>1</sup>Apparently Air Miles International Holding NV licence the marks in the Annex to Air Miles Travel Promotions Limited, who conducts the Opponents' business in the UK. Throughout this decision I have referred to both businesses collectively as the 'Opponents'.

Mr Cowdrey explains that the Opponents launched the air miles scheme in November 1988. It apparently operates by the Opponents entering into agreements with retailers and other suppliers of goods and services (called 'Clients') under which coupons, stamps and electronic points are sold to these organisations who in turn offer them as an incentive to their customers and/or staff (called 'Collectors'). These vouchers or awards can then be exchanged with the Opponents for airline tickets and associated travel and leisure services.

The Opponents enclose a great deal of evidence demonstrating their reputation in this business. Ms Thorne says that they currently have 311 clients (a list is provided), a number which is increasing by about 50 per year. Apparently all the clients use the Air Miles mark and device in promotional material, and examples are provided for Shell, Sainsbury, NatWest, Cheltenham and Gloucester, P&O European Ferries and others. The Opponents also produce their own promotional material for clients and examples are also included in evidence.

Ms Thorne also refers to marketing budgets of both the Opponents and their Clients. The latter, Ms Thorne says is impossible to calculate in total, but gives an aggregate figure for the three most important Clients (Sainsbury, NatWest and Shell) as £10M. The Opponents themselves have spent the following on marketing the air miles scheme:

Financial Period	Marketing Budgets
1994/5	£9.3M
1995/6	£7.8M
1996/7	£7.9M

Ms Thorne refers to conferences where the Opponents have made presentations and to exhibitions and forums where the air miles scheme has been promoted. Apparently the Air Miles mark and device is a feature of the stands at such events, and the promotional literature that is handed out (an example is provided). The Opponents also apparently promote their product through public relations, leading to media coverage in, for example, the national press (articles from the Mail on Sunday and Daily Telegraph are enclosed). Ms Thorne says this amounts to over £200,000 worth of coverage each month in the national press alone and examples of 'media releases' are included in evidence.

The Opponents own advertising spend is given as:

Financial Period	Advertising Spend
1994/5	£1.1M
1996/7	£1.5M
1997/8	£1.5M

A 'media schedule' for 1996/7 is included in evidence, as are examples of adverts used in the national press, apparently between 1996 and 1997.

Exhibits JLT9 and JLT 10 contain examples of an air miles Travel Guide and Travel Directory which are circulated to Collectors. Ms Thorne also refers to the 'Air Miles Holiday Hotline', started in November 1991, which offers Collectors discounts on holidays on redemption of air miles (a directory for ski holidays is included in evidence). She says that the sale revenue achieved on such bookings was:

Year	Turnover
1995/6	£25,689,686
1996/7	£38,172,671

Ms Thorne says that there are currently in excess of 4.5 million Collectors of air miles, and gives details of the numbers for recent years:

Financial Period	No. Collectors
1994/5	710,000
1995/6	1,500,000
1996/7	2,200,000

Examples of registration packs for Collectors, together with sample statements, are included in evidence. These include material that is dated summer 1994, and exhibit the Air Miles mark and device. The total number of statement sent to Collectors is given as:

Financial Period	No. Collectors
1994/5	2,715,000
1995/6	6,182,000
1996/7	8,082,000
1997/8	15,063,000

Apparently, *ad hoc* mailings of promotional material now totals 16,022,876, at an estimated cost of about £5.7M.

Ms Thorne describes, in particular, the Opponents involvement with travel by sea:

! The Air Miles Cruise Club, which offers savings to Collectors on the cost of cruises on 20 major cruise lines. Each member (21, 404 in autumn of 1997) receives a copy of 'Embarkation Magazine' (Exhibit JLT 12), while those who book a cruise receive branded merchandise (Exhibit JLT 13), all displaying the Air Miles marks.

! Discounts on the cost of ferry crossings on redemption of air miles. This, apparently, has been available since 1991, and includes discounts on P&O, Irish Ferries, Condor Ferries and Scandinavian Seaways.

5 Finally, Ms Thorne estimates the total investment in marketing the Air Miles Marks and devices as £20, 932,000 and put the total turn over for the air miles scheme as:

	Date	Turnover
	1994	£57.414M
	1995	£100.003M
	1996	£91.92M
10	1997	£119.746M
	1998(estimate)	£150M

Ms Thorne concludes:

15 'I believe that the Air Miles Marks with the Device have established such a reputation in the United Kingdom .. that any use of the Ferry Miles and device mark in relation to the services covered by the Hankin Partnership trade mark application inevitably trade off the goodwill which we have established in the Air Miles Marks and Device .. even if their activities are confined to loyalty schemes for ferry operators, I believe that the distinctive character of the Air Miles Marks and Device will be damaged.'

20 Mr Cowdrey and Ms Thorne both refer to a market research survey (Exhibit LPB2) carried out by NOP Market Research Limited late in 1990 that shows around 70% of people questioned were aware of 'air miles' as a scheme, and that 8% were actively participating.

According to Mr Cowdrey, significant features of the Air Miles Marks with the Device include:

- ! the circular device;
- 25 ! use of the words AIR MILES in block type around the edge of the circular device;
- ! a line drawing of an aeroplane against a blue sky and cloud background, and

the Ferry Miles mark includes:

- ! a circular device;
- 30 ! use of the words FERRY MILES in block type around the edge of the circular device;

! a line drawing of ship against a single colour background.

In Mr Cowdrey's view this is enough to cause confusion amongst members of the public. He adds:

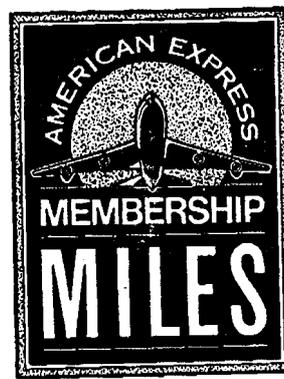
5 'The only other loyalty programmes operating in the United Kingdom of which I am aware which provide incentives for the frequent purchase of particular goods or services and which use the 'MILE' designation for the reward currency offered are the frequent flyer programmes run by various airlines, and a loyalty programme run by Marriott Hotels who offer 'Marriott Miles'. None of our Clients use a 'miles' designation in any of their programmes, other than the Air Miles Marks with the Device. I am not aware of any such schemes in operation in the UK in relation to services similar to those offered in the Air Miles scheme and which use a device as similar to the Air Miles Marks with the Device as the Ferry Miles and device mark. Similarly, I am not aware of any loyalty programme operating in the UK which has as many clients or end customers as the Air Miles scheme.'

15 The Applicants evidence consists of a statutory declaration from Mr Peter Darlington, a trade mark agent acting on their behalf. Mr Darlington does not dispute the extensive use the Opponents have made of their marks, nor the considerable investment they have made in their promotion. However, he says that the Opponents do not have a monopoly in marks containing the word 'MILES', and refers to Exhibit PMD1, which shows examples of numerous other marks on the Register that include the word 'MILES', most of which are registered for vouchers, advertising, organisation, operation and supervision of sales and promotional incentive schemes, that is, goods and services identical with those of the Opponents'. Mr Darlington notes Mr Cowdrey's admission of the existence of other loyalty programs operating in the UK that provide incentives for purchase of particular goods or services and use the 'MILES' designation, particularly, the frequent flyer programmes run by various airlines. He says that even if these operators do not use the device of an aeroplane, in the minds of the public these will be seen as a type of 'AIR MILES' scheme by virtue of the fact that the reward offered will be free air travel. Mr Darlington makes specific comparisons between the Opponents' marks and marks reproduced in Exhibit PMD 1:

Mark	Number	Page no. In Exhibit PMD1	Opponents Marks
CRUISE MILES	1,557,352	43	AIR MILES TRAVEL THE WORLD and CRUISE CLUB (see Annex).
CUNARD CRUISE MILES	1,557,351	42	
SEA MILES	1,470,522	38	
NAUTICAL MILES	1,557,692	24	
WORLD MILES	1,564,722	25	
TRAVEL MILES	2,044,170	34	

He also refers to the mark AIR MILES TRAVEL THE WORLD and device with the words 'THE DINING PROGRAM' and notes there is a registration (No. 1,574,385) DINING MILES (page No. 26 of Exhibit PMD1). In Mr Darlington's view these all demonstrate that the whole concept of terms associated with the sort of rewards offered as incentives for the frequent purchase of particular goods or services, together with the use of the 'MILES' designation, is common to the trade and that the Opponents do not have the monopoly that they claim.

Mr Darlington also considers the similarity of the marks in suit, and implies that any likelihood of confusion is reduced as the Opponents invariably use 'their distinctive AIR MILES mark and device and even their Cruise Club' retains this characteristic. Referring to Mr Cowdrey's contention that the Applicants' mark shares the 'significant features of the AIR MILES marks with device' (page 4, lines 22ff), Mr Darlington says that these features are not exclusive to the Opponents, and refers me to two registrations shown in Exhibit PMD1 (No. 1,551,717 on page 23 and No. 1,479,134 on page No. 39), which are reproduced here:



Both contain, in Mr Darlington view, a circular device, with one referring to 'free balloon miles' and containing a line drawing of a balloon against the horizon, and the other including a line drawing of an aeroplane against a circular device. He says that this shows that the significant features claimed by the Opponents are not exclusive to their AIR MILES marks and device.

## The Decision

Turning to the ground of opposition under s 5(2), this section states:

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

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

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

The Opponents' registered marks are shown in the Annex to this decision. Also included are

three unregistered marks for which they claim common law rights (AIR MILES TRAVEL THE WORLD THE DINING PROGRAMME and device, AIR MILES TRAVEL THE WORLD CRUISE CLUB and device and SAVE & FLY and device). They also claim such rights for a mark, which I have not seen in evidence, AIR MILES TRAVEL THE WORLD HOLIDAY HOTLINE and device. S 5 of the Act applies to earlier marks as defined in s 6, which states:

‘6.-(1) In this Act an “earlier trade mark” means

(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(b) a Community trade mark which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK), or

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention as a well-known trade mark.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.’

In view of this, the four marks for which the Opponents’ claim they have common law rights are not ‘earlier trade marks’ for the purposes of s 5. Of the remaining marks, I have confined my considerations under this ground to the AIR MILES device mark (**m** 1465785), as this is the most similar to the Applicants’ mark, is the mark in which they refer to most in evidence and the one they specifically compare to the Applicants’ mark. In their Statement of Grounds, the Opponents say that the Applicants’ mark is similar to theirs and the goods applied for are identical or similar. This, I take, as a reference to s 5(2)(b).

This section of the Act partially implements Article 4(1)(b) of the Directive. In the BALMORAL<sup>2</sup> Decision Mr Geoffrey Hobbs QC, acting as the Appointed Person, when interpreting the expression ‘a likelihood of confusion on the part of the public’ referred to the following extract from the SABEL v PUMA<sup>3</sup> Case:

‘Article 4(1)(b) of the Directive does not apply where there is no likelihood of confusion on the part of the public. In that respect, it is clear from the tenth recital in the preamble to the Directive that the appreciation of the likelihood of confusion depends on numerous elements and, in particular, on the recognition of the trade mark on the market, of the association which can be made with the used or registered sign, of the degree of similarity

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<sup>2</sup>Trade Marks Act 1994: In the matter of Application no. 2003949 to register a trade mark in class 33 in the name of ROSEMOUNT ESTATES PTY LIMITED; Decision of the Appointed Person, 18 August 1998 (unpublished).

<sup>3</sup>European Court of Justice in Case C-251/95 *SABEL BV v. PUMA AG* [1998] RPC 199.

between the trade mark and the sign and between the goods or services identified. The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case. That global appreciation of the visual, aural or conceptual similarity of the marks in question must be based on the overall  
5 impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive - “there exists a likelihood of confusion on the part of the public” - shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally  
10 perceives a mark as a whole and does not proceed to analyse its various details. In that perspective, the more distinctive the earlier mark the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that the two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either  
15 *per se* or because of the reputation it enjoys with the public.’

Mr Hobbs than went on to construct the following query:

‘The tenth recital to the Directive and these observations of the Court of Justice indicate that an objection to registration under Section 5(2) of the Act should be taken to raise a single composite question: are there similarities (in terms of marks and goods or services)  
20 which would combine to create a likelihood of confusion if the ‘earlier trade mark’ and the sign subsequently presented for registration were used concurrently in relation to the goods or services for which they are respectively registered and proposed to be registered?’

In the current case this query can be recast as:

‘Are there similarities between AIR MILES plus device and FERRY MILES plus device  
25 (including visual, aural and conceptual), and the goods or services they specify, which would combine to create a likelihood of confusion in the mind of the average consumer if they were used simultaneously taking into account the distinctiveness of AIR MILES plus device on the market?’

30 Comparing the goods at issue as listed on the first page and in the Annex, the Applicants’ goods and services in Classes 16 and 35 are not limited to ferry travel, while the Opponents’ in Class 35 are not limited to air travel. I think I am able to conclude that the goods at issue (excluding those in Class 39) are very similar, but not identical.

The two marks under consideration are:



Mr Cowdrey, identifies similar features between the two marks - use of a circular device, the words AIR or FERRY MILES in block type around the edge of this device and line drawing of a ship or plane. Mr Darlington says that these features are not exclusive to their mark, and gives examples of two registered marks which he claims also have these features (see page 6,  
5 Lines 8 - 19 above). Whether this is true or not, it is irrelevant to a comparison of trade marks under s 5(2)(b)), which is not concerned with the uniqueness of certain features in a trade mark, but whether a trade mark is so similar to an 'earlier mark' that there exists a likelihood of confusion, including the likelihood of association.

10 Considering the visual, aural and conceptual similarities of the marks, I do not consider them to be confusingly similar. There are significant visual differences between them - not least the depiction of a ship as opposed to a plane - and aural differences - FERRY MILES compared to AIR MILES. Though there is a conceptual link between the two in that the common use of the word MILES means that both are likely to be taken as indicative of a similar style of customer incentive schemes, this does not override the other differences and, when viewed as  
15 a whole, I do not believe there will be confusion between the two marks.

However, this is based on a *prima facie* comparison of the marks. The 'Hobbs' test given above, derived from recent cases before the ECJ, also requires me to take account of 'the distinctiveness of the earlier mark on the market'. The CANON<sup>4</sup> case explains the significance of this:

20 'Since protection of a trade mark depends, in accordance with Article 4(1)(b) of the Directive, on there being a likelihood of confusion, marks with a highly distinctive character, either *per se* or because of the reputation they possess on the market, enjoy broader protection than marks with a less distinctive character. It follows that, for the purposes of Article 4(1)(b) of the Directive, registration of a trade mark may have to be  
25 refused, despite a lesser degree of similarity between the goods or services covered, where the marks are very similar and the earlier mark, in particular its reputation, is highly distinctive.'

30 The Opponents do establish to my satisfaction that they have a reputation in their AIR MILES plus device mark. This is a distinctive trade mark which has been extensively used in a large variety of promotions and communications to their Clients and Collectors, as the evidence clearly shows. As a result of this reputation there is an increased likelihood of association - by reputation - between the two marks likely to lead the average consumer to believe there is a trade connection? I think this is unlikely for two reasons.

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<sup>4</sup>CANON KABUSHIKI KAISHA v METRO-GOLDWYN-MAYER INC. Court of Justice of the European Communities (Case C-39/97), September 29 1998.

First, the existence of other reward schemes on the market. The Applicants suggest in their evidence that the existence of a number of marks on the register, using the word MILES, and registered for incentive schemes, demonstrates that the Opponents are not alone in offering such schemes. I do not find this evidence helpful. The Applicants do not show that any of the marks they list have been used, and it therefore settles nothing about the uniqueness of the Opponents' marks, or otherwise, in the marketplace. Mr Cowdrey, for the Opponents, however, admits that other MILES reward schemes are available (page 5, lines 4-13) - for example various frequent flyer programmes run by sundry airlines.

This evidence suggests to me that the Opponents do not have exclusive use of the word MILES in the market place. They appear to be the biggest user of this term, but this does not mean the public accepts that they are the only one. It seems to me that consumers are familiar with such methods of winning their loyalty and, following the proliferation of reward schemes of many types, would not necessarily associate all such schemes including the word MILES with one source.

Second, the evidence shows that the Opponents have made extensive use of their AIR MILES device mark (**m** 1465785). Looking through their Exhibits it is this mark that is used consistently on the vast majority of their promotional and informative literature. Even the marks that adorn the Opponents' 'Air Miles Cruise Club' documentation (see paragraph 26 of Ms Thorne's declaration) incorporates this mark (see Annex). In view of this, I think it unlikely that the public will associate the Applicants' mark with the Opponents', as the latter has been so widely used, in particular, on schemes relating to discounted ferry services (see Exhibit JLT2 and the 1996 brochure relating to P&O European Ferries), that the average consumer would not now, or at the relevant date, expect the Opponents to use a different mark in relation to such services. By extension, the public would be less likely to expect a trade connection between the user of such a mark as FERRY MILES plus device and the Opponents'.

The next grounds of opposition refer to protection granted by the Paris Convention under s 5(2)(b) and 5(4). Sections 55 to 61 contain provisions relating to the Paris Convention, and provides for the protection of marks which are well-known in the UK without necessarily being registered here. Though the Opponents may qualify for protection under the Convention, this affords them no greater protection than that under s 5(2) on the basis of their earlier UK registrations. Accordingly, having failed under this section they are bound to fail under s 55.

The Opponents also plead s 5(4)(a), because use of the Applicants' mark is liable to be prevented by virtue of the law of passing-off. S 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...

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.’  
Geoffrey Hobbs QC, acting as the ‘Appointed Person’, summed up the current law under Section 5(4)(a) of the Act in the *WILD CHILD*<sup>5</sup>. He stated that:

5 ‘A helpful summary of the elements of an action for passing off can be found in Halsbury’s Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in Reckitt & Colman Products Ltd -v- Borden Inc [1990] RPC 341 and Erven Warnink BV -v- J Townend & Sons (Hull) Ltd [1979] ACT 731 is (with footnotes omitted) as follows:

10 “The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- 15 (1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

20 The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an  
25 exhaustive, literal definition of ‘passing off’, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House”

30 Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that;

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- 35 (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

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<sup>5</sup>*Wild child* [1998] 14 RPC, 455.

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

5 While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

10 (a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

15 (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(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.

20 In assessing whether confusion or 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.”

25 This can be summarised under the headings ‘Goodwill’, ‘Deception’ and ‘Damage’. Little evidence of use is provided for the Opponents’ three unregistered marks displayed in the Annex, for which Mr Cowdrey claims ‘common law rights’. The Opponents’ AIR MILES device mark (m 1465785) mark is a component of all three of these unregistered marks, and it seems to me, based on the extensive evidence of use, that the Opponents’ goodwill rests in this mark - this is the distinguishing feature by which their goods and services are known in the market place.

30 Though the Opponents thus own significant goodwill, following the discussion under the 5(2)(b) ground *supra*, I do not see that confusion, leading to the misrepresentation and damage required to succeed in a passing off action is possible. First, I do not regard the marks as similar *prima facie*, second, the public are familiar with a number of reward schemes from diverse sources and third, the Opponents’ mark m 1465785 been used consistently on their  
35 promotions, including goods and services identical to that of the Applicants’, and are unlikely to conclude that Opponents would turn to a novel mark now. In view of this, the grounds pleaded under s 5(4) also fail.

Finally, the Opponents plead 'bad faith' under s 3(6), which reads:

'A trade mark shall not be registered if or to the extent that the application is made in bad faith'

5 The Act does not indicate what is meant by 'bad faith' and it must therefore be for the Registrar or the Court to decide in a particular case what this amounts to. In their counter statement the Opponents refer to 's 3(6) because of the reputation and goodwill the Opponents have in their mark.' This assertion is denied by the Applicants and it is not expanded upon in either of the Opponents' two declarations. In view of the lack of evidence or argument I must also find the Opponents unsuccessful in their opposition under this section, and this opposition also fails.

10 The Applicants having been successful in these proceedings, are entitled to a contribution towards their costs. I therefore order the Opponents to pay to the Applicants the sum of £435.00

**Dated this 23th day of June 1999**

15 **Dr W J Trott**  
**Principal Hearing Officer**  
**For the Registrar, the Comptroller-General**

## ANNEX

Mark	Number	Date filed	Goods
	1449995	12.12.1990	<p>Vouchers for travel by air and for holidays including travel by air to and from the destination; all included in Class 16.</p> <p>Advertising; organisation, operation and supervision of sales and promotional incentive schemes; all included in Class 35.</p>
AIR MILES	1449999	12.12.1990	<p>Vouchers, all for travel by air, and for holidays including travel by air to and from the destination; all included in Class 16.</p> <p>Leather, imitation leather; articles made from the aforesaid materials; luggage; travel bags, trunks, suitcases, vanity cases, briefcases, handbags, purses and wallets; walking sticks; umbrellas and parasols; all included in Class 18.</p> <p>Articles of outer clothing for men, women and children; all included in Class 25.</p> <p>Advertising; organisation, operation and supervision of sales and promotional incentive schemes; all included in Class 35.</p>
	1465525	23.05.1991	<p>Vouchers for travel by air and for holidays including travel by air to and from the destination; all included in Class 16.</p> <p>Advertising; organisation, operation and supervision of sales and promotional incentive schemes; all included in Class 35.</p>

AIR MILES LATITUDES	1465527	23.05.1991	<p>Vouchers for travel by air and for holidays including travel by air to and from the destination; all included in Class 16.</p> <p>Advertising; organisation, operation and supervision of sales and promotional incentive schemes; all included in Class 35.</p>
AIR MILES TRAVEL THE WORLD	1465784	17.05.1991	<p>Vouchers for travel by air and for holidays including travel by air to and from the destination; all included in Class 16.</p> <p>Advertising; organisation, operation and supervision of sales and promotional incentive schemes; all included in Class 35.</p>
	1465785	17.05.1991	<p>Vouchers for travel by air and for holidays including travel by air to and from the destination; all included in Class 16.</p> <p>Leather, imitation leather; articles made from the aforesaid materials; luggage; travel bags; trunks, suitcases, vanity cases, briefcases, handbags, purses and wallets; walking sticks; umbrellas and parasols; all included in Class 18.</p> <p>Articles of outer clothing for men, women and children; all included in Class 25.</p> <p>Advertising; organisation, operation and supervision of sales and promotional incentive schemes; all included in Class 35.</p>

Other marks for which common law rights are claimed:

