

O-219-04

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2302629
IN THE NAME OF
THE BOOTS COMPANY PLC
TO REGISTER A TRADE MARK IN CLASS 41**

AND

**IN THE MATTER OF OPPOSITION NO. 91334
THERE TO BY RED LETTER DAYS PLC**

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Background

1. On 12 June 2002 The Boots Company plc applied to register the following as a series of two trade marks:



Gift experiences



Gift Experiences

2. The application was published for the following specification:

Class 41: The provision of educational, entertainment, sporting, cultural and recreational services including driving, aviation, outdoor sports, film and theatre visits, health and beauty treatment and advice, relaxation and visits to places of interest.

3. On 13 December 2002 Red Letter Days plc filed notice of opposition to the application. The grounds of objection were:

- under Section 5(2)(b) based on the opponent's earlier marks
- under Section 5(4)(a) by virtue of the law of passing off based on the opponent's reputation in its earlier marks
- under Section 3(6). The opponent says the applicant and opponent previously collaborated on the provision of services and submits that the adoption of the

brand Gift Experiences by the applicant is in bad faith and made in the full knowledge of the opponent's business and reputation in its marks.

4. In support of its grounds of opposition the opponent states that it is the proprietor of the following trade marks:

CTM 2181543 - EXPERIENCE (reg'd)

Class 16: Printed matter; printed publications; books; vouchers; gift vouchers; gift certificates; postcards; stationery; information leaflets; brochures; catalogues.

Class 36: Gift certificates; gift vouchers; issuing of vouchers; issuing of gift vouchers; issuing of gift certificates.

CTM 2575108 - EXPERIENCE GIFTS (reg'd)

Class 16: Printed matter; printed publications; books; vouchers; plastic bags; postcards, stationery; gift vouchers; gift certificates; information leaflets; brochures; catalogues.

Class 25; Clothing; footwear; headgear.

Class 36: Insurance services; gift certificates; gift vouchers; issuing of vouchers; issuing of gift certificates.

Class 39: Travel services; delivery services; delivery of flowers; delivery of magazines; delivery of food and drink products.

Class 41: Entertainment services; leisure services; arranging of sporting activities; cultural activities; arranging of leisure activities; arranging of cultural activities; training services; educational services; exhibition and conference services.

Class 42: Website design services.

Class 43: Food and drink services; accommodation services.

Class 44 Beauty services; spa services; hairdressing services.

5. The opponent originally also relied upon a number of earlier national trade marks, but these are no longer pursued or, in the case of the mark EXPERIENCE in classes 16 and 36 and EXPERIENCE GIFTS in classes 16, 25, 36, 39, 41 and 42 were no longer available because the trade marks were subsequently invalidated and refused, respectively.

6. The applicant filed a counter-statement essentially denying each of the grounds of opposition.

7. Both parties filed evidence and both seek an award of costs.

8. The matter came to be heard on 27 April 2004 where the applicant was represented by Mr McLeod of Hammonds, the opponent by Mr Hinchliffe of Counsel, instructed by Olswang .

9. In his skeleton argument, Mr Hinchliffe confirmed that the opposition was to be confined to an objection under Section 5(2)(b) only. At the hearing he further indicated that the opponent intended to rely on CTM 2575108 EXPERIENCE GIFTS (in particular in relation to classes 41 and 44), with secondary reliance on 2181543 EXPERIENCE (in particular in relation to class 36). The opponent accepted that if it was not successful in respect of these two marks it was not going to succeed in respect of other national trade marks listed in the Notice of Opposition. I proceed on this basis.

Opponent's evidence

10. The opponent's evidence consists of a statutory declaration by Rachel E Elnaugh dated 12 June 2003.

11. Ms Elnaugh states she is the joint Managing Director of Red Letter Days plc, a position she has held since February 2003 having previously held a number of different positions with her company since November 1989. She states that her company first used the trade mark Experience in respect of gift vouchers in October 1998. She asserts that her company was the first business in this market to use the name "Experience".

12. The company's gift vouchers are produced and issued in two ways: 1) a multi-choice gift voucher product marketed through its own catalogue and with internet and telephone ordering services, and 2) a multi-choice boxed voucher retail product launched in June 2001. Ms Elnaugh exhibits five different brochures as RE1, which set out what is available through the vouchers.

13. The first is a Red Letter Days brochure. It is not dated but refers to a "Mintel Report: Activity Days Out" of November 2001, and so must be after this date. I can find no evidence of 'experience' being used in anything other than a non-trade mark way. e.g. the first words in the brochure are "Created in 1989, Red Letter Days pioneered the concept of giving experiences as unforgettable gifts. Today we offer an unrivalled choice of over 300 experiences...." In this use, 'experience' is another way of describing an activity day out.

14. The second is an Experience Directory © 2001. It contains a number of references to Red Letter Days but all references to 'experience' are again of a non-trade mark character. e.g. "memorable ultimate experiences can be found throughout these pages". The Ultimate Gift Guide © 2001 is similar.

15. The fourth is a Red Letter Days "10th Anniversary Brochure" from 1999. Again, the word 'experience' is used liberally, but only as a generic term. For example, on the front cover "Unforgettable Experiences" and on page 3 "within these pages, I know you'll find the best experiences available."

16. The fifth is a “Y2K” Brochure. It is in the same nature. On page 2 it is stated that it “features many exclusive experiences that are not available anywhere else.”

17. At exhibit RE2, Ms Elnaugh exhibits examples of the various packs and their contents which are sent to the recipient of the gift. They present a similar picture to that described above: Red Letter Days used as a trade mark – liberal use of ‘experience’ as a description of the product. An example of an insurance leaflet sent to recipients of the vouchers indicates that Red Letter Days is the trade mark of the opponent. The presence of an equivalent claim in respect of the word ‘experience’ is conspicuous by its absence.

18. Exhibit RE4 is an example of the opponent’s “Corporate Services pack” from sometime after November 2001. There is again much generic use of ‘experiences’ and some use of “Red Letter Days Experience Vouchers. TM”

19. Ms Elnaugh states that in June 2001 her company launched, with Debenhams the retailer, a multi choice Experience box retail product incorporating the Experience Voucher. The product which Debenhams sold was called an “Experience gift box.” Red Letter Days is clearly identified as the provider, which is described as “the UK’s No1 Experience Company.” The voucher entitled the recipient to choose from “a selection of 20 sensational experiences.”

20. She also draws attention to the sale of a similar product called “Experience Ticket”, which she says was marketed through 44 Tesco stores between November 2001 and January 2002. Exhibits RE8 and RE9 contain examples of the promotional material and packaging used for the gift boxes. There is no documentary evidence to support the claim that these products were marketed through Tesco, and the only mention of Red Letter Days I could find anywhere is in the small print of an insurance form which may or may not have been sent out with the gift box. This describes Experience Ticket as being a trading name of Red letter Days. Elsewhere there is much generic use of ‘experience(s)’ as a description of the activity day out.

21. Ms Elnaugh states that her company also uses the trade mark EXPERIENCE GIFTS, which she says was marketed through 300 Sainsbury’s stores between November 2001 and March 2002. She exhibits at RE10 and RE11 pages from the EXPERIENCE GIFTS range guide and an example of the gift box used. Both products contain numerous generic uses of the word ‘experience’. Neither product bears any reference to the opponent. The front cover and inside pages of the range guide does refer to “experience gifts TM”. However, both the second and the final pages begin “This Christmas, *Sainsburys* bring you the most exciting idea for a present –*our* exclusive experience gifts TM range” (emphasis added) suggesting that, if Experience Gifts is a trade mark, it is a trade mark of Sainsburys. The gift box does not bear the words “Experience Gifts” at all. It is entitled “Wine tasting for two experience.” There is a free phone number to call and a web site address (experiencegifts.co.uk). It appears that these may have been operated by the opponent, but it is not evident that this would have been apparent to the customers.

22. Ms Elnaugh states that her company has worked “for over one year” with S F Cody to develop the brand SF CODY EXPERIENCES, distributed exclusively through S F Cody stores and concessions in some Allders department stores. She does

not say when this collaboration dates from. She exhibits at RE12 a copy of the SF Cody experiences guide and an example of the product sold by them. The guide is not dated but indicates that vouchers are valid until 31 December 2002, so predate this date. It announces that “S.F.Cody is now offering a range of 34 once-in –a-lifetime experiences.” There is no mention of the opponent. All claims of ownership are to SF Cody experiences.

23. Ms Elnaugh also claims that during Christmas 2000, Experience vouchers were sold in a limited number of Marks & Spencer’s stores under the Red Letter Days brand but provides no evidence to support this.

24. She further states that her company’s branded products have been available through ‘surpriseyourwoman.com’ since June 2000, and she exhibits as RE13 a copy of pages from the website. The pages include a statement that “..our emphasis is on offering our customers imaginative products through exclusive suppliers”, but it makes no reference to who those suppliers might be. Pictures of some of the available products are headed “Gliding Experience”, “Classic car experience” and “Super car experience”.

25. Ms Elnaugh states her company also supplies products to Airmiles and exhibits at RE14 copies of pages of their website. This refers to Red Letter Days being the provider. Use of the word ‘experience’ is limited to such phrases as “ This two to three hour experience teaches you...”, “This experience lasts...”, “The experience includes...” etc.

26. Ms Elnaugh gives estimated turnover figures during the period October 1998 to April 2003 (some of this is after the relevant date of 12 June 2002) as follows:

October 1998 to September 1999	£715,000
October 1999 to September 2000	£1,098,595
October 2000 to September 2001	£1,844,739
October 2001 to September 2002	£2,345,516
October 2002 to April 2003	£4,168,777

27. These figures are said to be estimated and approximate and to relate to “Experience Vouchers”. This appears to include non-attributed use by retailers such as Sainsburys.

28. Ms Elnaugh states that since its establishment in the UK her company’s business has been expanding and is now considered to take up approximately a 20% share of selling special events and days out. Many of these special events and days out are sold as gifts and trade has expanded through retail outlets such as Debenhams and Allders. She goes on to say that her company has been named as clear market leaders in the sector and exhibits at RE16 evidence to support this claim. The evidence takes the form of a copy of a report from a market research report from a firm called Mintel. It is entitled “Activity Days Out, Leisure Intelligence – UK Report, October 2001.”

29. The report begins:

“The market for Activity Days Out is a rapidly growing one, thanks mainly to the increasing popularity of boxed gift experiences, which are on sale in a number of high street retailers.”

It continues:

“Within the trade activity days out are generally termed as experiences and for this reason Mintel uses the term (experiences) to mean the activity days out market. A significant portion of this report examines the gift experience market which is where consumers purchase, or are given, packages which include vouchers for activity days out.”(emphasis added)

30. The report makes mention of Red Letter Days and refers to them as clear market leaders with a 16-20% share of the market. They are said to be “one of the longest established” and “among the largest.”

31. Ms Elnaugh also exhibits copies of examples of press material which she says relates to her company’s EXPERIENCE trade mark. Exhibit RE18 consists of a number of such press cuttings. They largely confirm the picture painted above from the other evidence. Interestingly, a copy of an article from Retail Week dated 14 June 2002 records that:

“at Christmas (2001) Red Letter Days supplied Boots, Tesco and Sainsbury’s with their own bespoke offers, but sold the Red Letter Days brand through Debenhams. This year, however, Red Letter Days is walking away from retailers like this to stick to a branded offer, which it believes it can control quality of the product better, and placing it in specialist gift retailers.”

32. The same article records that “The only issue blighting the experience market is the very use of the word ‘experience’, which Red Letter Days has trademarked when used with the word gift or voucher.”

33. Ms Elnaugh recalls that, in 1998, Boots approached her company proposing to work together over the following five years “to develop the concept of activities in the retail market.” Ms Elnaugh exhibits copies of the contract entered into by the parties along with various items of correspondence at RE20. As a result, the opponent created a range of five exclusive events which were promoted solely in the Boots 1998 Christmas Gift Guide, which is exhibited as RE21. The guide announces that Red Letter Days “are offering five exclusive gift experiences.”

34. During this period, Ms Elnaugh says that her company was “using the brand “GIFT EXPERIENCES”” and exhibits at RE22 a copy of their 1998 brochure. There are many references to “Red Letter Days” but the only use of “gift experiences” I could find is descriptive:- “our latest selection of unforgettable gift experiences”.

35. Boots decided to create a boxed gift product containing a voucher plus products related to the activity to be branded under Red Letter Days. The opponent declined this and so Boots went on to market the range under the title “Boots Special Day Gifts”. She exhibits what she says is a copy of the Boots 1999 Gift Guide in support.

In early 2000, Boots indicated they intended to continue in the gift market but were putting the contract out to tender with no guarantee Red Letter Days would be involved. Ms Elnaugh's company made proposals by way of a letter dated 16 March 2000 (RE24). The letter also indicated that Red Letter Days "would have a serious issue with your promotion being branded 'Boots Gift Experiences' if we are not commissioned to handle the fulfilment." Ms Elnaugh states that her company was assured by Boots that their use of the phrase was "purely generic." Her company was awarded a contract to supply 5 activities (from a total of 25) and she exhibits (at RE25) a copy of the Boots Christmas 2000 Gift Guide, which does include a range of "Boots Gift Experiences" but does not show that any of the activity days out offered were connected with Red Letter Days. The relationship later broke down although her company continued to supply a limited number of activities in 2001, the last year of involvement.

36. The opponent's evidence also includes a witness statement of Alan Michael Fiddes, trade mark attorney for the opponent, who exhibits copies of printouts of the opponent's marks in the relevant registers. He also exhibits a copy of a witness statement of Deborah Burgin dated 9 August 2002. Ms Burgin was then a Product Manager of Men's Seasonal Gift Experiences Division of Boots the Chemist. Mr Fiddes says Ms Burgin's evidence is proof that Boots previously worked with the opponent in defending an application for invalidity filed against the UK registered trade mark EXPERIENCE in the name of Red Letter Days. Judging from the content of Ms Burgin's evidence I do not apprehend that it can have been of much assistance to the opponent, and indeed that registration was subsequently declared invalid.

Applicant's evidence

37. This consists of a witness statement of Michael John Oliver dated 10 September 2003. Mr Oliver says he is the Company Secretary of The Boots Company plc. Mr Oliver says his company uses its trade mark in the two forms set out earlier in this decision on products sold in stores operated by its associated company Boots the Chemist Ltd. The product comprises boxes containing tickets or vouchers to enable the purchaser or gift recipient to participate in an experience, together with a related product. He exhibits a copy of the applicant's Gift Guide available October to December 2002 showing examples of the use of the marks.

38. Mr Oliver submits that the applicant's mark as a whole is distinctive as is the logo containing the word BOOTS in script form. The logo has, he says, been used by the applicant for a long period of time having been first registered in 1941. He exhibits a number of documents showing use of the logo.

39. Mr Oliver exhibits a range of material showing use of the word 'experiences' in a descriptive sense and points out that the opponent's own evidence also uses the word in a way that is descriptive rather than showing use as a trade mark to indicate origin.

40. Mr Oliver submits the mark applied for is not similar to the opponent's marks when compared as wholes. Mr Oliver says that since 2000, the applicant has supplied over 100,000 Boots gift experiences. Prior to 2000 the products were sold as "Boots Special Day Gifts" although the promotional material referred to them as experiences.

The applicant is not, says Mr Oliver, aware of any instances of confusion having taken place.

Decision

41. The only remaining ground of opposition is that raised under S5(2)(b). Section 5(2) 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 trade 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 mark.”

42. Section 6 of the Act defines “earlier mark”. It 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 into 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 or the WTO agreement as a well known trade mark.”

43. Both of the registrations on which the opponent relies are earlier trade marks within the meaning of Section 6 of the Act.

44. In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723. It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking into account all the relevant factors; *Sabel BV v Puma AG* page 224;

- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question; *Sabel BV v Puma AG* page 224, who is deemed to be reasonably well informed and reasonably circumspect and observant but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* page 84, paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG* page 224;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG* page 224;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc* page 7 paragraph 17;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel BV v Puma AG* page 8, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG* page 224;
- (h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas ag* page 732, paragraph 41;
- (i) but if the association between the marks causes the public wrongly to believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Meyer Inc* page 9 paragraph 29.

45. The opponent's case is that:

- a) the services of the application are identical to those covered by its CTM registration No 2575108 for the mark EXPERIENCE GIFTS, and similar to those covered by Class 36 of its CTM registration of EXPERIENCE under No 2181543;
- b) the applicant's mark includes the whole of the latter mark and essentially the whole of the former (albeit with the order of the words reversed);
- c) in assessing the likelihood of confusion, the Registrar is required to assume that the opponent enjoys a goodwill and reputation under the

earlier registered Community trade marks in respect of the services for which they are registered;

- d) in this case there is evidence that this notional level of distinctiveness has been enhanced through use of the marks;
- e) the presence in the applicant's marks of the BOOTS logo does not adequately distinguish its services because:
 - i) the opponent is known to have marketed its services through retailers in the past, and
 - ii) because of this and the similarity of the common features of the respective marks, consumers will wrongly assume that there is an economic connection between the applicant and the opponent.

46. The applicant's case is that;

- a) a UK trade mark registration in the opponent's name for the word EXPERIENCE in Classes 16 and 36 has been found to be invalid following a decision of the Registrar, against which there has been no appeal;
- b) the Community trade marks on which the opponent relies are invalid;
- c) the opponent's evidence does not show trade mark use by it of the word EXPERIENCE, but only descriptive use by it and others;
- d) none of the other marks relied upon by the opponent are similar to the applicant's mark;
- e) the distinctive feature of the applicant's mark is the BOOTS logo, the words GIFT EXPERIENCES alone being merely descriptive;
- f) even if the respective marks are deemed to be similar, there is no likelihood of confusion as a result of the applicant's use since 2000.

Findings

47. I find that the services of the application are identical to those covered by class 44 of CTM registration No 2575108, and are plainly similar to the services in Class 36 of CTM registration No 2181543.

48. I find that the terms EXPERIENCE, EXPERIENCE GIFTS and GIFT EXPERIENCES are each descriptive of services intended to be given as gifts and which comprise a pre-paid for entertainment experience in the form of activity days out.

49. I further find that the opponent's registered CTMs had not acquired a level of enhanced distinctiveness as a result of the use made of them prior to the date of this application.

50. Apart from one or two ambiguous examples, the opponent's evidence shows only generic use of the terms "experience" and "experience gifts", with the mark RED LETTER DAYS having been used to distinguish the trade source of its services.

51. The use shown in the opponent's evidence would therefore have had the effect of confirming the descriptive significance of the words 'experience' and 'experience

gifts' in the mind of consumers. As the Court of Appeal observed in *Bach Flower Remedies* [2000] RPC 513 (at paragraph 49),

“ use of a mark does not prove that the mark is distinctive. Increased use, of itself, does not do so either. The use and increased use must be in a distinctive sense to have any materiality.”

52. The use of 'experience' and 'experience gifts' by retailers of the opponent's products is also of a generic nature. For example, the opponent relies upon the sale of its "branded" products through a website called Surpriseyourwoman.com. However, exhibit RE13, which is said to support this claim, shows only generic use of the word 'experience' such as "Gliding Experience" and "Classic car experience."

53. Where the opponent was identified to the public as the provider of the service it was identified by the use of the mark RED LETTER DAYS, as in the use in conjunction with Debenhams shown in exhibits RE5-7 (described above in the evidence summary).

54. The main use on which the opponent relies of the mark EXPERIENCE GIFTS is the use which is said to have taken place in conjunction with Sainsbury's between November 2001 and March 2002. This does indeed show the use of the words "experience gifts" followed by use of "tm" in small letters. The use of the letters "tm" in this way does not guarantee that consumers will accept something which is obviously a description as being a trade mark. Further, the use in question is not attributed to the opponent. Instead it gives the impression of being use by Sainsburys on its own account. Consequently, if consumers were being educated that "experience gifts" was anybody's trade mark, they were most likely to think of it as being Sainsburys.

55. The evidence put forward to show that the opponent is the market leader in this sector (The Mintel Report of 2001 which comprises exhibit RE13) also indicates that "within the trade, activity days out are generally termed as experiences" and the report itself describes the sector as the "gift experience market." This is not conclusive of itself, but it appears to be consistent with the rest of the opponent's evidence in showing that "experience(s)" and "gift experiences" were generic terms at the date of the application.

56. Article 103 of Council Regulation 40/94 requires national courts to treat a registered Community trade mark as valid. The Regulation does not expressly extend this obligation to other national tribunals, but I do not think that there can be any doubt that tribunals such as the Registrar are covered by this provision.

57. As I understand it, there has been no application made for the Community trade marks, upon which the opponent relies, to be declared invalid. Consequently, contrary to the applicant's submission, it is not open to me to review the validity of those registrations. Despite the above findings of fact, I must assume that these marks are validly registered.

58. I do not believe that this means that I must entirely overlook the descriptive meaning that the words "experience" and "gifts" would have conveyed to an average

consumer at the relevant date. In this connection I note that Article 103 applies to all registered Community trade marks, including those marks registered on the basis of acquired distinctiveness through use. In that situation one would clearly be required to have regard to the descriptive significance of words in a mark when assessing the likelihood of confusion arising from the use of other marks incorporating similar words. In this connection I note that in the *Lloyd Schuhfabrik* case the ECJ stated (at paragraph 22 and 23 of the judgement) that in assessing the distinctive character of a trade mark the court should make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services of a particular undertaking. And in making that assessment, account should be taken, inter alia, of the inherent characteristics of the mark, including the fact that the mark does or does not contain elements descriptive of the goods or services.

59. The net effect of this appears to be that I must assume, as a minimum, that the Community marks EXPERIENCE and EXPERIENCE GIFTS, when used as marks in relation to the services for which they are registered, would have been taken by an average consumer of those services as an indication that they were provided by, or with the consent of, the opponent. It is, however, necessary when considering whether similar trade marks for identical or similar services fall within the penumbra of protection afforded by Section 5(2)(b) of the Act, to bear in mind that the marks have only a limited capacity to distinguish the services of a particular undertaking and thus to distinguish those services from the services of other undertakings.

60. Starting from that point, I must assess whether use of the applicant's marks in relation to the services specified in the application would be likely to cause confusion on the part of the public, including a likelihood that an average consumer would wrongly believe that the similarity between the marks signified an economic connection with the opponent.

61. I turn first to the case based upon the registered Community trade mark EXPERIENCE GIFTS, which is registered for identical entertainment services in Class 44. This appears to represent the opponent's best case because the:

- a) later mark incorporates both the words that make up the earlier mark (albeit with the order reversed);
- b) identity of services increases the likelihood of confusion.

62. With regard to the similarity between the marks, the presence in the later mark of both the words that make up the earlier mark undoubtedly introduces an element of visual, aural and conceptual similarity.

63. However, in the case of marks where the similarities are attributable to descriptive words, smaller differences may be sufficient to distinguish the products or services of unrelated undertakings as compared to the position where the words in common are highly distinctive. This is because a consumer who is reasonably well informed and reasonably circumspect and observant is likely to be mindful of the descriptive significance of the words and will therefore be more inclined to notice, and attach significance to, differences between the marks than might be the case where the similarities between the marks are highly distinctive in nature. It is really the corollary

of the ECJ's doctrine that highly distinctive marks are more likely to be the subject of confusion.

64. In this connection, I regard it as significant that, according to the opponent's own evidence, the words 'gift experiences' was, by 2001, a term that was being used for descriptive purposes in the market for activity days out. An average consumer who is reasonably well informed and observant may be expected to be aware of this, and such recognition would undoubtedly have affected the significance that such a consumer would have attached to that term as it appears in the composite marks applied for.

65. I do not therefore think that it would be right to attach no weight to the fact that the common words EXPERIENCE(S) and GIFT(s) appear in the parties marks in a different order. The applicant's marks have a further and stronger distinguishing feature in that they also include versions of the Boots logo. This is a sign which has no descriptive significance in relation to the services in the application and therefore enjoys a highly distinctive character. In my view, an average consumer would be likely to regard this logo as the distinctive feature of the applicant's marks, even if that consumer was not aware of the reputation associated with the Boots logo.

66. I readily accept that the addition of a house mark to a mark that is otherwise similar to an earlier mark will not always be enough to avoid confusion through mis-association. But each case turns on its own facts. The descriptive nature of "gift experiences" at the relevant date is a factor which points away from mis-association in this case.

67. The only even arguably material use of the term "experience gifts" that the opponent has shown prior to the relevant date is the use by Sainsbury's of the mark Sainsburys Experience Gifts. On my analysis of the evidence, this would have appeared to consumers to have been use by Sainsbury's independently of the opponent. Such use is unlikely to have enhanced the prospects of consumers making the assumption that the use of a Boots logo in conjunction with the words "Gift Experiences" is indicative of a trade connection with the opponent.

68. Another way of putting the question is to ask whether, by reversing the order of the descriptive words 'experience(s)' and 'gift(s)' and adding a highly distinctive logo, the applicant has done enough to distinguish its services from those attributable to the opponent by reference to the mark EXPERIENCE GIFTS. In my view, the answer to this question is in the affirmative.

69. For these reasons, I find that use of the applicant's marks at the relevant date was unlikely to confuse an average consumer of the services in question having regard to the earlier registration by the opponent of the mark EXPERIENCE GIFTS.

70. The opponent's case based on its earlier trade mark EXPERIENCE in Class 36 appears to me to be no stronger. In fact it appears to be slightly weaker than the case I have already considered because:

- a) the respective services are similar rather than identical, and

- b) the respective marks are less similar in that the opponent's mark constitutes only one of the three words in the applicant's mark.

71. As I have already indicated, my analysis of the evidence has revealed no material use of the word 'experience' by the opponent (or anyone else) which could have had the effect of enhancing the inherent distinctive character of that mark.

Conclusion

72. I therefore find that there is no likelihood of confusion, including the likelihood of association. Consequently, I reject the objections brought under Section 5(2)(b) based upon the earlier Community trade marks EXPERIENCE and EXPERIENCE GIFTS.

Costs

73. The opposition having failed, the applicant is entitled to a contribution towards its costs. I order the opponent to pay the applicant the sum of £1500. This to be paid within 7 days of the end of the period allowed for appeal or, in the event of an unsuccessful appeal, within 7 days of the final determination of the matter.

Dated this 23rd Day of July 2004

**Allan James
For the Registrar**