

O-277-18

TRADE MARKS ACT 1994

IN THE MATTER OF:

TRADE MARK APPLICATION No. 3192390

BY ALAMEX LIMITED

**TO REGISTER THE FOLLOWING TRADE MARK IN CLASSES 38, 42
& 45:**

NAUGHTY DATING

AND

OPPOSITION THERETO (No. 408474)

BY BULOVA INVEST LIMITED

Background and pleadings

1. On 20 October 2016, Alamex Ltd ('the applicant') applied to register the word trade mark 'NAUGHTY DATING' in the UK. It was accepted and published in the Trade Marks Journal on 4 November 2016 in respect of the following services.

Class 38: Telephone and mobile telephone services, cellular telephone communication, communications by telephone, facsimile transmission, paging services [radio, telephone or other means of electronic communication], teleconferencing services, telephone services, voice mail services. Computer communication and Internet access, communications by computer terminals, communications by fiber [fiber] optic networks, computer aided transmission of messages and images, electronic mail, electronic bulletin board services [telecommunications services], providing telecommunications connections to a global computer network, providing internet chatrooms, providing user access to global computer networks, providing online forums, rental of access time to global computer networks, transmission of greeting cards online, transmission of digital files, videoconferencing services. Access to content, websites and portals, providing access to databases. Telecommunication services, communications by telegrams, information about telecommunication, message sending, news agencies/wire service, satellite transmission, telecommunications routing and junction services, telegraph services, telex services, transmission of telegrams.

Class 42: IT services, computer system analysis, computer system design, monitoring of computer systems by remote access. Software development, programming and implementation, computer programming, computer software design, updating of computer software, computer software consultancy, creating and maintaining web sites for others, installation of computer software, maintenance of computer software. Hosting services and software as a service and rental of software, hosting computer sites [web sites], providing search engines for the internet, rental of computer software, rental of web servers, server hosting, software as a service [SaaS]. IT consultancy,

advisory and information services, information technology [IT] consulting services.

Class 45: Dating services, dating services, marriage agencies, chaperoning/escorting in society [chaperoning], planning and arranging of wedding ceremonies.

2. On 6 February 2017, Bulova Invest Limited ('the opponent') opposed the trade mark on the basis of Sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 ('the Act'). The opposition, insofar as it is based upon s.5(2)(b), is based upon the following two earlier marks:

Mark details and relevant dates
EU 15695307 iamnaughty Filing date: 27 July 2016 Date of entry in register: 11 November 2016
Specification of services
<i>Class 9: Software and applications for mobile devices; Downloadable applications for use with mobile devices; Communication software; Software.</i>
<i>Class 38: Telecommunications; Forums [chat rooms]for social networking; Forums [chat rooms] for social networking; Chat room services for social networking; Providing on-line chat rooms for social networking; Chatroom services; Providing internet chatrooms; Providing access to Internet chatrooms; Virtual chatrooms established via text messaging; Providing Internet chatrooms and Internet forums; Providing online chatrooms for the transmission of messages, comments and multimedia content among users; Electronic communication by means of chatrooms, chat lines and Internet forums; Providing on-line chatrooms and electronic bulletin boards for transmission of messages amongst users.</i>
<i>Class 42: Programming of software for Internet portals, chatrooms, chat lines and Internet forums.</i>
<i>Class 45: Dating agency services; Dating services provided through social networking;</i>

Computer dating services; Internet dating services; Internet based dating, matchmaking and personal introduction services; Dating services; Online social networking services accessible by means of downloadable mobile applications; Online social networking services; Internet-based social networking services.

Mark details and relevant dates

EU 15695323

getnaughty

Filing date: 27 July 2016

Date of entry in register: 11 November 2016

Specification of services

Class 9: Software and applications for mobile devices; Downloadable applications for use with mobile devices; Communication software; Software.

Class 38: Telecommunications; Forums [chat rooms]for social networking; Forums [chat rooms] for social networking; Chat room services for social networking; Providing on-line chat rooms for social networking; Chatroom services; Providing internet chatrooms; Providing access to Internet chatrooms; Virtual chatrooms established via text messaging; Providing Internet chatrooms and Internet forums; Providing online chatrooms for the transmission of messages, comments and multimedia content among users; Electronic communication by means of chatrooms, chat lines and Internet forums; Providing on-line chatrooms and electronic bulletin boards for transmission of messages amongst users.

Class 42: Programming of software for Internet portals, chatrooms, chat lines and Internet forums.

Class 45: Dating agency services; Dating services provided through social networking; Computer dating services; Internet dating services; Internet based dating, matchmaking and personal introduction services; Dating services; Online social networking services accessible by means of downloadable mobile applications; Online social networking services; Internet-based social networking services.

3. Under s.5(4)(a) of the Act, the opponent claims that use of the applicant's mark is liable to be prevented under the law of passing off, owing to its goodwill attached to the business operating under the signs 'naughty', 'iamnaughty' and 'getnaughty', which it claims to have used throughout the UK since 2014, in respect of '*Dating agency services, online dating agency services, chatroom and social networking services, telecommunications, providing internet platforms for social networking, design and development of software*'.

4. The applicant filed a counterstatement denying the claims made stating that the respective marks are substantially different.

5. Both sides filed evidence in these proceedings. This will be summarised to the extent that it is considered appropriate/necessary. No hearing was requested and so this decision is taken following careful consideration of the papers.

6. For reasons of procedural economy, the opposition shall firstly be assessed in relation to the opponent's earlier EU no 15695323, 'getnaughty'. Given its date of filing, the opponent's mark qualifies as an earlier trade mark under the provisions in s. 6(1) of the Act. As the earlier mark had not been registered for five years or more at the publication date of the opposed application, it is not subject to the proof of use provisions contained in section 6A of the Act. The opponent can, as a consequence, rely upon all of the goods it has identified.

Evidence

Opponent's evidence

Witness statement of Laura Edison with exhibits LE1 – LE19

7. Ms Edison of Edison Legal Limited is a Scots law qualified solicitor, notary public and General Counsel for the opponent, a position held since 1 January 2015. Prior to this Ms Edison was the General Counsel at Cupid Plc, the previous owner of the 'NAUGHTY' trade marks.

8. Ms Edison states that the opponent provides online internet dating services under the trade marks GETNAUGHTY and IAMNAUGHTY.

9. She states that since the business is solely on-line, the majority of its marketing spend is also only carried out via the internet. For example, much of the spend is for 'pay per click' ('PPC') and internal affiliates ('INT') whereby the opponent operates an affiliate network and owners of third party websites can sign up to the affiliate network and, once accepted, can access its banners to advertise on their own websites. The third party then receives a fee. These third party websites are carefully directed at the opponent's key demographic, adults aged between 21 and 35.

10. Exhibit LE1 to the witness statement is a table detailing the marketing spend and number of new members registering ('registrations') for the 'NAUGHTY Trade Marks' for the period 2015 to 2016. The figures are broken down into BENAUGHTY ('BN'), GETNAUGHTY ('GN'), IAMNAUGHTY ('IAN') and NAUGHTYDATE ('ND').

11. Cost per action ('CPA') are online marketing companies who arrange for online adverts to be placed on third party websites. For the 'getnaughty' brand, the marketing spend for CPA's was \$137,981 in 2015 (in the UK) and \$108,172 in 2016. The figures also include the number of new members registering on the getnaughty website as a result of the CPA marketing method. In 2015, the number of new registrations was 83,043 and 70,374 in 2016.

12. Another marketing technique is 'pay per click' which is used to direct traffic to a website. In 2015, for the getnaughty website the marketing spend was \$132,301 and \$375,899 in 2016. This led to 45,345 new members in 2015 and 123,681 in 2016. Finally, Ms Edison sets out the marketing spend on advertising through internal affiliates. This amounted to \$117,564 in 2015 and \$31,923 in 2016 resulting in 62,610 new members in 2015 and 21,622 in 2016.

13. To summarise, the total on-line advertising via the channels set out above was around \$270k in 2015 and approximately \$230k for 2016 resulting in over 140k new members in 2015 and just over 90,000 in 2016.

14. Ms Edison highlights that the BENAUGHTY website is particularly popular in that since its launch in July 2007 it attracted 3,719,317 members by summer 2011.

However, the BENAUGHTY mark is not relied upon in these proceedings.

15. Appendix LE4 to Ms Edison’s witness statement is a breakdown of the total number of new members registering on the four UK ‘NAUGHTY’ websites. They are as follows:

Year	Brand			
	BN	ND	GN	IAN
2014	612,966	235,548	545,342	161,512
2015	882,648	623,443	330,254	621,033
2016	556,932	334,434	356,242	421,934

16. UK revenue generated from the provision of online dating agency services for the four NAUGHTY websites in 2015 and 2016.

Year	Brand			
	BN	ND	GN	IAN
2014	\$2,233,274.40	\$698,552.09	\$509,594.56	\$119,726.67
2015	\$4,804,114	\$2,902,239	\$1,383,387	\$1,518,005
2016	\$3,420,476	\$2,199,906	\$1,346,257	\$1,686,120

17. In order for users to access the websites easily the opponent also provides users with a BENAUGHTY branded mobile application. This was launched in November 2010. Exhibit LE7 to the witness statement includes a table which shows that between 2015 and 2016 the NAUGHTYDATE, BENAUGHTY and IAMNAUGHTY applications have been downloaded thousands of times.

18. Exhibits LE8 and LE9 are YouTube screenshots of video clips which the opponent claims to have appeared on UK television shows aired on ITV, Dave and Comedy Central during the latter part of 2011, 2012 and 2014.

19. Exhibit LE10 to the witness statement is a screenshot of the 'BeNaughty – Online Dating App'. The print outs only include the date of printing, i.e. 10 April 2017. It is not clear when the app was launched.

20. Exhibit LE11 is a print out from 'SimilarWeb' which the opponent claims to demonstrate the global and local traffic ranking for its various 'NAUGHTY' websites between October 2015 and March 2017. The context of these figures is difficult to ascertain. They appear to be figures showing the worldwide ranking of the various websites, however, it is not clear how many of these visitors were from the UK or EU. Further, an example of the ambiguity of these figures are that Ms Edison states that they are for the period October 2015 to March 2017 and that iamnaughty.com's global ranking is #14.873. However, the screen print states 'Last month (December 16)' which indicates that the figures are for that particular month.

21. Exhibit LE12 to the witness statement comprises historic screenshots for the website benaughty.com, taken from the Wayback Machine. The screen prints

include the  mark and are dated July 2007, April, July 2008, January 2010, December 2011, April and December 2014, August 2015 and October 2016.

22. Exhibit LE13 consists of a print out from 'idateawards.com' for 2010. It indicates that the opponent came second in the Best Product Design, third in the Best Mobile Dating App categories and nominated for the Best Marketing Campaign award. A further print out states that 'BeNaughty.com' finished fourth in the 2011 #Winner of Best Dating Site'.

23. Exhibit LE14 consists of media articles which show evidence of use of the NAUGHTY brand. Some of the prints are taken from the independent website OnLinePersonalsWatch.com and one (dated 1 February 2011) states that benaughty.com has 3m members.

24. Exhibit LE15 is a review conducted by leadingdatingsites.co.uk of the opponent's [benaughty](http://benaughty.com) online dating services. It is dated 04/2017 and states that the opponent's

benaughty.com website was launched in 2005 and has 3m members and '250,000 active weekly'.

25. Exhibit LE16 consists of sales figures for the company Cupid Plc (the opponent's predecessor) for the UK which for 2010 amounts to £25.7m. The report also indicates that benaughty.com is one of the Group's most heavily visited sites, but does not provide any specific figures or information.

26. Exhibit LE17 consists of website print outs from cupidplc.com dated March and April 2012 which show that the BENAUGHTY trade mark was actively being used at this time.

27. Exhibit LE18 consists of a witness statement from a Mr Mark Brooks who is the CEO of Courtland Brooks Agency, which he states is a team of world class internet dating marketing professionals. This witness statement was made in relation to revocation proceedings launched before EUIPO by Alamex Limited against EU trade mark registration no. 9951682 for the mark NAUGHTY (word) in the name of Together Networks Holdings Limited. It is dated 10 April 2016. In essence Mr Brooks states that he believes the BENAUGHTY website was launched in 2007 and 'BENAUGHTY is one of the hallmark adult dating and casual dating brands. In fact, I would go as far as to say that BENAUGHTY was the UK *de facto* standard in the industry for many years, and certainly one of the top three players in adult dating websites in the UK'.

28. Exhibit LE19 is a witness statement from Marinos Gavriel on behalf of Marianthi Tanti for Multiserve Limited of Bulova Invest Limited based in the British Virgin Islands. The witness statement was prepared for the revocation proceedings outlined above and since it was made 'on behalf of' someone else is of very limited evidential value. In fact, the content contains no information which I consider assists my decision. It is disregarded.

Applicant's evidence

Witness statement of Mr Neil Jonathan Stanley

29. Mr Stanley is a company director of the applicant. Mr Stanley claims that there is no confusion between the application and the opponent's 'benaughty'. To evidence this he attaches (as exhibit A) an extract 'taken from Google Search Console. It shows that the top 25 search on Google that users typed when looking for our brand. The opponent's brand does not appear at all proving that there is zero confusion amongst the public.' This is not the approach taken when assessing the likelihood of confusion in proceedings such as these. The test is not whether a consumer finds party A when it is searching for party B. The question is when they are already aware of brand A, but then encounter brand B, they will either be confused into believing that the latter is the former (and confusion therefore arises) or the consumer believes that they are commercially associated. Further, any Google search results to do not reflect the consumer's thinking. Therefore, this argument is dismissed.

30. Mr Stanley then submits that the opponent never uses its naughty mark in isolation. It is always in conjunction with another element.

DECISION

Section 5(2)(b)

31. Section 5(2)(b) of the Act is as follows:

"5(2) A trade mark shall not be registered if because-

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

32. 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 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.

The principles

(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;

(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 goods and services

33. In the judgment of the Court of Justice of the European Union in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment 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”.

34. 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.

35. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the General Court at paragraph 29 stated that:

“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”.

Opponent’s list of goods and services (earlier 15695323)	Applicant’s list of services
<p><i>Class 9: Software and applications for mobile devices; Downloadable applications for use with mobile devices; Communication software; Software.</i></p>	
<p><i>Class 38: Telecommunications; Forums [chat rooms]for social networking; Forums [chat rooms] for social networking; Chat room services for social networking; Providing on-line chat rooms for social networking; Chatroom services; Providing internet chatrooms; Providing access to Internet chatrooms; Virtual chatrooms established via text messaging; Providing Internet chatrooms and Internet forums; Providing online</i></p>	<p><i>Class 38: Telephone and mobile telephone services, cellular telephone communication, communications by telephone, facsimile transmission, paging services [radio, telephone or other means of electronic communication], teleconferencing services, telephone services, voice mail services. Computer communication and Internet access, communications by computer terminals, communications by fiber [fiber] optic networks, computer aided transmission of messages and images, electronic mail, electronic bulletin board services [telecommunications services], providing telecommunications</i></p>

<p><i>chatrooms for the transmission of messages, comments and multimedia content among users; Electronic communication by means of chatrooms, chat lines and Internet forums; Providing on-line chatrooms and electronic bulletin boards for transmission of messages amongst users.</i></p>	<p><i>connections to a global computer network, providing internet chatrooms, providing user access to global computer networks, providing online forums, rental of access time to global computer networks, transmission of greeting cards online, transmission of digital files, videoconferencing services. Access to content, websites and portals, providing access to databases. Telecommunication services, communications by telegrams, information about telecommunication, message sending, news agencies/wire service, satellite transmission, telecommunications routing and junction services, telegraph services, telex services, transmission of telegrams.</i></p>
<p><i>Class 42: Programming of software for Internet portals, chatrooms, chat lines and Internet forums.</i></p>	<p><i>Class 42: IT services, computer system analysis, computer system design, monitoring of computer systems by remote access. Software development, programming and implementation, computer programming, computer software design, updating of computer software, computer software consultancy, creating and maintaining web sites for others, installation of computer software, maintenance of computer software. Hosting services and software as a service and rental of software, hosting computer sites [web sites], providing search engines for the internet, rental of computer software, rental of web servers, server hosting, software as a service [SaaS]. IT consultancy, advisory and information services, information technology [IT] consulting services.</i></p>
<p><i>Class 45: Dating agency services; Dating services provided through social networking; Computer dating services; Internet dating services; Internet based dating, matchmaking and personal introduction services; Dating services; Online social networking services accessible by means of downloadable mobile applications; Online social networking services; Internet-based social networking services.</i></p>	<p><i>Class 45: Dating services, dating services, marriage agencies, chaperoning/escorting in society [chaperoning], planning and arranging of wedding ceremonies.</i></p>

36. Neither party has offered submissions on the assessing of similarity between the respective services.

Class 38

37. The opponent's telecommunication services are aimed at transmitting information such as words, images, videos, etc via various means. Therefore, applying the principles set out in *Meric*, most of the applicant's services fall within the opponent's 'telecommunications' and are, therefore, identical. These are:

Class 38: Telephone and mobile telephone services, cellular telephone communication, communications by telephone, facsimile transmission, paging services [radio, telephone or other means of electronic communication], teleconferencing services, telephone services, voice mail services. Computer communication and Internet access, communications by computer terminals, communications by fiber [fiber] optic networks, computer aided transmission of messages and images, electronic mail, electronic bulletin board services [telecommunications services], providing telecommunications connections to a global computer network, providing internet chatrooms, providing user access to global computer networks, providing online forums, transmission of greeting cards online, transmission of digital files, videoconferencing services. Telecommunication services, communications by telegrams, information about telecommunication, message sending, news agencies/wire service, satellite transmission, telecommunications routing and junction services, telegraph services, telex services, transmission of telegrams.

38. With regard to the remaining 'rental of access time to global computer networks, Access to content, websites and portals, providing access to databases services', these are services aimed at providing access to websites and portals rather than, strictly speaking, telecommunications. Therefore, they differ slightly in nature though there is a degree of competition since renting access to global networks may be for communicative purposes. Further, the rental or provision of access time to websites are likely to be provided by the same provider via the same trade channels and their users are likely to be the same. They are highly similar.

Class 42

39. The applied for 'software programming' and 'computer programming' are broader and therefore include the opponent's class 42 services. Therefore, they are identical.

40. The applied for '*IT services*' is a very broad term which covers the Class 42 services of the opponent. Therefore, they are identical.

41. With regard to the applied for '*computer system design (appears twice), software development and implementation, updating of computer software*' these would all require some form of programming. Therefore, they have the same nature, producer, users and would be supplied through the same distribution channels. Therefore, I find them to be highly similar (if not identical) to the opponent's Class 42 services.

42. The contested '*computer system analysis, monitoring of computer systems by remote access. computer software consultancy, creating and maintaining web sites for others, installation of computer software, maintenance of computer software. Hosting services and software as a service and rental of software, hosting computer sites [web sites], providing search engines for the internet, rental of computer software, rental of web servers, server hosting, software as a service [SaaS]. IT consultancy, advisory and information services, information technology [IT] consulting services*' and the opponent's 'programming of software for internet portals, chatrooms, chat lines and Internet forums' appear to differ in nature since the former do not involve the design and development of computer hardware and software. However, the providers of the respective services are likely to be the same since they are all computer related services. It is highly conceivable that those that provide software programming services, even where they are limited to internet portals, chatrooms, chat lines and internet forums, provide the contested services. They are also likely to target the same end user via the same trade channels. I consider them to be similar to at least an average degree.

Class 45

43. The term '*dating services*' are identically contained in the applicant's (appearing twice) and opponent's list of services. Therefore, they are identical.

44. The applicant's '*marriage agencies*' includes a legal process whereby individuals enter a legally binding contract with one another that establishes rights and obligations between them. Many also provide an introductory service for single people to meet people that may then seek marriage. Therefore, I find '*marriage agencies*' to be highly similar to the applicant's '*personal introduction services*'.

45. The applicant's '*chaperoning/escorting in society [chaperoning]*' are all of a personal nature aimed at providing individually catered services to meet one's needs/requirements. I find these similar to a high degree to the opponent's '*personal introduction services*' since they both concern the introduction of people for various purposes, their users and uses will be the same and they are in competition with one another.

46. With regard to the applicant's '*planning and arranging of wedding ceremonies*' I do not see any overlap between these services and those of the opponent. The nature of the opponent's services is the provision of access to individual's details so that they can meet. The nature of the applicant's services is the organisation of specific (wedding) ceremonies. The purpose of the opponent's services is to enable people to meet. The purpose of the applicant's services is the organisation of wedding ceremonies. The opponent has provided no evidence or submissions that the channels of trade will coincide. I find that they do not. The services are neither complementary or in competition. At a very general level the users may eventually coincide, but not at the same time (people who have met through a dating agency may eventually employ the services of a wedding organiser). This is too general a level to create any meaningful level of similarity. The services are dissimilar.

Average consumer and the purchasing act

47. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

48. In *Hearst Holdings Inc, Fleischer Studios Inc 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.”

49. The services in question range from, inter alia, dating services, telecommunications, IT services. They are services which I would expect at least a normal level of attention to be paid by the consumer when using such services. The purchasing act will be mainly visual following an inspection of websites, or the images and content generated by the user. However I do not discount that aural considerations such as word of mouth recommendations may also play a part in the purchasing process.

Comparison of marks

50. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions

created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union 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.”

51. 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.

52. The respective trade marks are shown below:

getnaughty	NAUGHTY DATING
Earlier trade mark	Contested trade mark

53. The earlier trade mark is a word mark consisting of ‘getnaughty’. Whilst the mark is conjoined the average consumer is likely to naturally divide the mark into two words, namely ‘get’ and ‘naughty’. They are words which would be easily recognised and understood by consumers. The distinctiveness in the earlier mark resides in its totality.

54. The contested trade mark is a word mark. The word ‘DATING’ is descriptive for some of the services in question (e.g. dating services, the provision of dating sites) and is therefore negligible in the overall impression of the mark. For the remaining

services the word 'DATING' it is not descriptive but does allude to the subject matter in which the services are being provided. For example, the telecommunication and IT services provide the suitable platform for the facilitation of dating via websites and apps. Therefore, whilst 'DATING' for such services is distinctive it plays only a subordinate role in the mark compared to 'NAUGHTY'. Whilst the word 'NAUGHTY' is not directly descriptive of the services provided it is allusive of the intended purpose of the services provided. For the services which 'DATING' is descriptive, 'NAUGHTY' is considered to be the distinctive and more memorable element of the contested mark.

55. Visually, the signs coincide with the distinctive element 'naughty'. Whilst it is conjoined with 'get' in the earlier mark, as previously stated, the average consumer is likely to separate these words. The marks differ insofar that the earlier mark begins with 'get' and the contested mark ends with 'DATING'. I find that the signs are visually similar to a medium degree.

56. Aurally, the earlier mark will be pronounced as two words, namely 'get-naughty'. The contested mark will also be pronounced as two words, namely NAUGHTY-DATING. Therefore, the marks are aurally similar to a high degree.

57. Conceptually, the earlier trade mark is likely to be perceived as an exhortation to 'get naughty'. The applicant's mark is not encouraging the average consumer to get naughty but is allusive of dating which may be mildly rude, indecent or more liberal than more conventional dating services. Therefore, I find that the conceptual similarity is above average but not high.

Distinctive character of the earlier trade mark

58. 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).”

59. The level of distinctive character of a trade mark can vary, depending on the particular goods at issue: a mark may be more distinctive for some goods than it is for others. Distinctiveness can also be enhanced through use of the mark. There has been no explicit claim of enhanced distinctiveness but evidence of use has been filed. This evidence has been summarised above.

60. The relevant date in which the evidence of use must be established is 20 October 2016.

61. The evidence clearly shows that the opponent has a business operating under the sign ‘getnaughty’ and that it is successful. The turnover ranges from just over half a million dollars to over \$1.3m dollars and the number of new users are 545,342 in 2014, 330,254 in 2015 and 2016 in 356,242. With regard to the marketing spend only figures this is around \$270k in 2015 and \$230k in 2016.

62. Whilst on a prima facie basis these figures are not insignificant the evidence does not demonstrate marketplace recognition for the ‘getnaughty’ brand. It is

evident that the 'benaughty' mark is well known since it has won numerous awards, greater turnover and marketing spends plus more media coverage. This is not demonstrated to a sufficient extent for the 'getnaughty' brand. Therefore, from the evidence filed, I am not satisfied that the 'getnaughty' brand has an enhanced degree of distinctive character by virtue of the use made.

63. Since the opponent has not demonstrated that it has an enhanced degree of distinctive character in respect of its 'getnaughty' mark. Therefore I must only consider the inherent distinctive character of the mark. Although 'get' and 'naughty' are conjoined, as previously stated, the average consumer would instantly recognise and understand the mark as being two words. They are two ordinary and natural meaning words which act as an active exhortation for someone to get naughty. Therefore, I consider the mark to be inherently distinctive to an average degree for all of the relied upon services.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

64. Since similarity of goods and services is a necessary condition for a s.5(2)(b) to succeed. Therefore, for the services that I found to be dissimilar to the opponents, the opposition fails. These are: Class 45 '*planning and wedding ceremonies*'.

65. With regard to the remaining applied for services the factors considered above have a degree of interdependency (*Canon* at [17]), so that a higher degree of similarity between the goods may be offset by a lower degree of similarity between the marks, and vice versa. I must make a global assessment of the competing factors (*Sabel* at [22]), considering them from the perspective of the average consumer and deciding whether the average consumer is likely to be confused. In making my assessment, I must keep in mind 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 he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

66. Confusion can be direct or indirect. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., sitting as the Appointed Person, explained these types of confusion as follows:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark”.

67. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made simply because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

68. With the exception of the applicant’s *planning and arranging of wedding ceremonies*, which are not similar, I have found that the majority of the services are identical and some terms in Classes 38 and 42 as being highly similar. With regard to the respective marks, they have been found to be visually similar to a medium degree. From an aural perspective they are similar to a high degree and conceptually similar to an above average, but not high, degree. The similarity is by virtue of both marks sharing the inherently distinctive and dominant word ‘NAUGHTY’, with the only differences between the marks are that the opponent’s is conjoined and begins with ‘get’ and the application containing the word ‘DATING’ which has no counterpart in the earlier mark.

69. I have also found that the services will be purchased with an average degree of care and attention, which is most likely to follow a visual inspection (though I do not discount aural considerations). I consider that the similarity between the marks, both of which contain NAUGHTY, combined with the services being either identical or highly similar, lead to a conclusion that there is a likelihood of confusion (except in relation to *planning and arranging of wedding ceremonies*). Therefore, I find that even if the average consumer does recall the differences between the marks they are likely to perceive the application as a variant brand originating from the opponent, leading to indirect confusion.

Conclusion

70. The opposition based on the opponent's 'getnaughty' mark (EU no. 15695323) has been mostly successful but fails against the applicant's Class 45 '*planning and arranging of wedding ceremonies*'.

71. The opponent also relies upon its earlier 'iamnaughty' registration (EU no. 15695307). However, since this registration covers exactly the same goods and services as EU no. 15695323 then it is in no better position and the opposition would fail.

72. In view of the above, I am required to assess the opponent's s 5(4)(a) claim against the services in relation to which the opposition has not succeeded: *planning and arranging of wedding ceremonies*

PASSING OFF

73. Section 5(4)(a) of the Act states:

"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, or

(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.”

Case-law

74. 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).”

75. `Halsbury’s Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 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:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation 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 feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

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:

- (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;
- (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.”

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.”

The relevant date

76. In *SWORDERS TM* O-212-06¹ Mr Allan 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.’ ”

77. There is no evidence or claim from the applicant that there was any earlier use made of the mark before the date of the application. Therefore, the relevant date, and the point at which these proceedings shall be considered is the date of the application, 20 October 2016.

78. I begin by reminding myself of the claims made by the opponent in relation to its section 5(4)(a) claim. The opponent claims to own goodwill attached to a business operating under the signs ‘naughty’, ‘iamnaughty’ and ‘getnaughty’, which it claims to have used throughout the UK since 2014 in respect of ‘*Dating agency services, online dating agency services, chatroom and social networking services, telecommunications, providing internet platforms for social networking, design and development of software*’.

79. It is settled law that for a successful finding under passing-off, three factors must be present: i) goodwill, ii) misrepresentation and, iii) damage. All things being equal, these requirements would easily be met in these proceedings. In relation to goodwill,

¹ Endorsed by Mr Daniel Alexander QC, sitting as the Appointed Person, in *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11

this was described in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), where the Court stated:

“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.”

80. The evidence has been summarised above at paragraphs [7 to 30]. None of the evidence filed relates to ‘naughty’ *solus*. Instead all of the evidence relates to either ‘iamnaughty’, or ‘getnaughty’. Therefore, I am not satisfied that the opponent has established a protectable goodwill for the mark ‘naughty’. However, it is clear that there is goodwill for the ‘iamnaughty’ and ‘getnaughty’ signs. This is based on:

- Sales figures provided for the respective marks,² i.e. in excess of \$1m for each mark in the UK for the years 2014 to 2016;
- The number of new member registrations being in the hundreds of thousands for each mark.
- The advertising spend is large

81. Therefore, the opponent has the requisite goodwill in the signs ‘iamnaughty’ and ‘getnaughty’ in relation to ‘*Dating agency services, online dating agency services, chatroom and social networking services, telecommunications, providing internet platforms for social networking, design and development of software*’.

82. Whilst the opponent has established that it has a protectable goodwill, its claim fails against the applied for Class 45 ‘*planning and arranging of wedding ceremonies*’ for the same reasons as the s.5(2)(b) claim. Whilst there is some similarity between the marks (including the ‘iamnaughty’ mark), there is a lack of similarity in the parties’ fields of interest. Whilst this does not, automatically, lead to a failure for the opponent, in *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA),

² Exhibit LE4 to the witness statement of Ms Edison

Millet L.J. made the following findings about the lack of a requirement for the parties to operate in a common field of activity, and about the additional burden of establishing misrepresentation and damage when they do not:

“There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business. The expression “common field of activity” was coined by Wynn-Parry J. in *McCulloch v. May* (1948) 65 R.P.C. 58, when he dismissed the plaintiff's claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation Ltd.* (1898) 15 R.P.C. 105 (cameras and bicycles); *Walter v. Ashton* [1902] 2 Ch. 282 (The Times newspaper and bicycles) and is now discredited. In the *Advocaat* case Lord Diplock expressly recognised that an action for passing off would lie although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego* case Falconer J. acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the Lego case Falconer J. likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

‘even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.’

In the same case Stephenson L.J. said at page 547:

‘...in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged “passer off” seeks and gets no benefit from

using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser said in the *Advocaat* case, be substantial.' ”

83. The use of the application for '*planning and arranging of wedding ceremonies*' would not cause (or is likely to cause) the opponent's customers to be misled into purchasing the applicant's services, believing that they are provided by the opponent.

Section 5(4)(a) outcome

84. The section 5(4)(a) ground fails.

OVERALL OUTCOME

85. The opposition largely succeeds under s.5(2)(b) of the Act. Therefore, the application shall be refused registration for all of the applied for services except for:

Class 45: 'planning and arranging of wedding ceremonies'

COSTS

86. Whilst the applicant has maintained some of the applied for services, the opponent has largely been successful and I consider it appropriate for it to be entitled to a contribution towards its costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by Annex A of Tribunal Practice Notice ('TPN') 2 of 2016. In the circumstances I award the opponent the sum of £750 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official fees	£200
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Preparing the notice of opposition and considering the counterstatement	£150
Preparing evidence and considering the other side's evidence	£400
Total	£750

87. I therefore order Alamex Ltd to pay Bulova Invest Limited the sum of £750. The above sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated this 8th day of May 2018

Mark King

**Mark King
For the Registrar,
The Comptroller-General**