0/294/19

# **TRADE MARKS ACT 1994**

INTERNATIONAL TRADE MARK No. 1362293

IN THE NAME OF VET CONCEPTS LIMITED

AND

THE HOLDER'S DESIGNATION OF THE UK FOR PROTECTION PURPOSES

AND

**OPPOSITION No. 411806** 

BY EASYGROUP LIMITED

# Background and pleadings

1. International trade mark 1362293 ("the IR") consists of the following sign:



2. The holder is Vet Concepts Limited, a company incorporated in New Zealand.

3. The IR is registered with effect from 30<sup>th</sup> May 2017. With effect from the same date ("the relevant date"), the holder designated the UK as a territory in which it seeks to protect the IR under the terms of the Protocol to the Madrid Agreement.

4. The holder seeks protection for the mark in relation to:

Class 9: Computer software for managing and running a veterinary practice. Class 35: Veterinary practice business management.

Class 42: Developing and updating computer software; installation, maintenance, updating and upgrading of computer software; cloud computing services; software as a service [saas]; computer software technical support services; electronic storage of medical records; electronic storage of data; design, development and implementation of software; computer software consulting services; computer software maintenance services; design and development of software for inventory management; integration of computer systems and computer networks; all provided in relation to the business management and running of veterinary practices<sup>1</sup>.

5. The request to protect the IR was published for opposition purposes on 1<sup>st</sup> December 2017. easyGroup Limited ("the opponent") opposes the protection of the IR in the UK on the following grounds:

<sup>&</sup>lt;sup>1</sup> The qualification in class 42 was added to the designation of the UK during the course of the opposition procedure.

(i) It is the proprietor of earlier trade marks EASYJET, EASYGROUP and



- (ii) These marks are protected in the EU for goods and services in classes
   9, 35, 42 and 44 that are the same or similar to those covered by the IR;
- (iii) The IR is similar to the earlier EU marks and there is a likelihood of confusion on the part of the public;
- (iv) The earlier EASYJET mark has a reputation in the EU in relation to airline and travel-related services;
- Use of the IR in the UK would cause consumers to make a link between the marks and the IR would, without due cause, take unfair advantage of the reputation of the earlier mark by free-riding on the reputation of easyJet to achieve greater sales;
- (vi) The opponent has used EZY in the UK since 1995 as a flight code;
- (vii) Use of the IR in the UK would be a misrepresentation that the user of the IR is connected to the opponent, which would damage the opponent's business through loss of sales and/or damage to its reputation.

6. The opponent therefore claims that protection of the IR in the UK would be contrary to ss.5(2), 5(3) and/or 5(4)(a) of the Trade Marks Act 1994 ("the Act").

7. The IR holder filed a counterstatement in which it accepted that there is a degree of aural similarity between the IR and EASYJET, and between EZY and EASY, but it denied the grounds of opposition. I note that part of the IR holder's case is that the word EASY is low in distinctive character.

### Representation

8. The IR holder is represented by Hansel Henson Limited, solicitors. The opponent is represented by Kilburn & Strode LLP. Written submissions were filed by both parties. A hearing took place on 19<sup>th</sup> March 2019 at which Ms Ashton Chantrielle appeared as counsel for the IR holder. The opponent was not represented.

#### The evidence

9. The opponent's evidence consists of a witness statement by Mr Ryan Pixton dated 26<sup>th</sup> July 2018. Mr Pixton is a trade mark attorney with Kilburn & Strode. His statement is mainly a vehicle to file an earlier "general" witness statement dated 4<sup>th</sup> August 2017 by Mr Stelios Haji-Ioannou of easyGroup Limited in which he describes the origin and development of the EASY brand. In her skeleton argument, Ms Chantrielle submitted that Mr Haji-Ioannou's evidence was inadmissible because it was not open to challenge. In my view, that is wrong. It is true that Mr Haji-Ioannou's statement is not specifically directed to these proceedings, and that it was filed as an exhibit to Mr Pixton's statement. Nevertheless, the statement was filed by the opponent for the purpose of these proceedings. Therefore, it is open to challenge and could have been the subject of an application to cross examine Mr Haji-Ioannou. Further, even if that is wrong, Mr Haji-Ioannou's statement would still be <u>admissible</u> as hearsay evidence given by Mr Pixton, although the weight afforded to such evidence would then have be adjusted accordingly.

10. The applicant's evidence consists of a witness statement by Mr Peter Brown, who is the IR holder's Chief Financial Officer. Mr Brown describes the IR holder's international business, including its use of the IR in the UK. The applicant's evidence also includes a witness statement by Mr David Hansel of Hansel Henson Limited. His "evidence" is mainly comprised of arguments rather than facts.

11. I have read all the evidence.

# The s.5(2) ground of opposition

12. 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".

13. None of the earlier EU marks relied on by the opponent had been registered for 5 years at the date of publication of the IR for opposition purposes. Therefore, s.6A of the Act does not apply. This means that the opponent can rely on the registration of its earlier EU marks in relation to the goods/services for which they are registered, without having to show use of those marks<sup>2</sup>.

# Comparison of goods/services

14. The goods/services covered by the IR along with the most relevant of the goods/services for which the opponent's earlier EU trade marks are registered, are set out in the table below.

IR 1362293	EU10584001	EU10583111	EU14920383
ezyVet	EASYJET	EASYGROUP	easy
Class 9: Computer software for managing and running a veterinary practice.	Class 9: Computer software.	Class 9: Computer software.	Class 44: Veterinary services.

<sup>&</sup>lt;sup>2</sup> See Roger Maier and Another v ASOS, [2015] EWCA Civ 220 at paragraph 78

Class 35: Veterinary practice business management.	Class 35: Business management.	Class 35: Business management service.	As above plus Business management in class 35
Class 42: Developing and updating computer software; installation, maintenance, updating and upgrading of computer software; cloud computing services; software as a service [saas]; computer software technical support services; electronic storage of medical records; electronic storage of data; design, development and implementation of software; computer software consulting services; computer software maintenance services; design and development of software for inventory management; integration of computer systems and computer networks; all provided in relation to the business management and running of veterinary practices.	Class 9: Computer software.	Class 42: consultancy, development, advice, analysis, design, evaluation and programming services relating to computer software, firmware, hardware and information technology; design, drawing and commissioned writing, all for the compilation of web pages on the Internet; hosting, creating and maintaining websites for others; consultancy and advice relating to the evaluation, choosing and implementation of computer software, firmware, hardware, information technology and of data- processing systems; rental of computer software, firmware and hardware; provision of information relating to technical matters and information technology; provision of access to computers.	Class 44: Veterinary services.

15. Ms Chantrielle submitted that:

- The opponent regularly files and re-files applications to register trade marks with extremely broad specifications;
- (ii) It does so to extend the exclusive rights to which it is entitled by reference to its actual or planned business;
- (iii) The three earlier marks in this case as examples of such a strategy;
- (iv) This practice is against the public interest because it prevents the use and registration of marks in relation to goods/services, even where this doesn't affect the opponent's legitimate interests;
- (v) Therefore, although the opponent's specifications "may" cover goods/services which are similar to those covered by the IR, the specifications of the earlier marks should be interpreted "narrowly" and deemed not to cover conflicting goods/services.

16. The judgment of the High Court in *Avnet v Isoact Limited*<sup>3</sup> was said to support this approach. It does not. That judgment was about the correct approach to interpreting descriptions of services. Jacob J. (as he then was) cautioned that these tended to be framed in imprecise terms, which he thought should be applied to cover the "core" of the possible meanings of such terms used rather than given a wide construction. There is no authority for the proposition that trade mark owners should be 'punished' for using wide terms by denying the trade mark protection, even where the specifications of the respective marks clearly cover identical or similar goods/services. If the practice about which the applicant complains has any adverse consequences for the owner of the earlier mark, it will be that the earlier mark is wholly or partly invalid<sup>4</sup>. That requires a direct challenge to the validity of the earlier mark. The validity of the opponent's earlier marks has not been challenged. Consequently, they must be treated as validly registered and given appropriate protection.

<sup>3</sup> [1998] FSR 16

<sup>&</sup>lt;sup>4</sup> See Sky v Skykick [2018] EWHC 155

17. Taking account of the case law in *Gérard Meric v OHIM<sup>5</sup>*, the *computer software* covered by earlier marks EU10584001 and EU10583111 plainly covers the *computer software for managing and running a veterinary practice* in class 9 of the IR. These goods are identical.

18. The *veterinary services* covered by EU14920383 are plainly not the same as the *computer software for managing and running a veterinary practice* in class 9 of the IR. The respective goods/services are different in nature, purpose and method of use<sup>6</sup>. They are not in competition. They are *complementary goods/services* in the broad sense of that term, but not in the sense indicated in the case law<sup>7</sup>. This is because customers of *computer software for managing and running a veterinary practice* (being those involved in running veterinary practices) and *veterinary services* (being the pet owning public) would not think that responsibility for those goods and services lies with the same undertaking. Therefore, these goods/services are dissimilar.

19. Each of the opponent's earlier marks covers *business management* services in class 35. The *veterinary practice business management* services covered by the IR are plainly a sub-set of these services. They must therefore be considered identical services.

20. Developing and updating computer software; installation, maintenance, updating and upgrading of computer software; cloud computing services; software as a service [saas]; computer software technical support services; computer software technical support services; design, development and implementation of software; computer software consulting services; computer software maintenance services; design and development of software for inventory management; integration of computer systems and computer networks; electronic storage of medical records; electronic storage of data in class 42 of the IR are the same as (albeit expressed in different language to) consultancy, development, advice, analysis, design, evaluation

<sup>&</sup>lt;sup>5</sup> Case T-133/05, Court of First Instance of the ECJ at paragraph 29 of the judgment

<sup>&</sup>lt;sup>6</sup> See the factors mentioned by the CJEU in *Canon*, Case C-39/97, at paragraph 23 of the judgment

<sup>&</sup>lt;sup>7</sup> See *Kurt Hesse v OHIM*, Case C-50/15 P, CJEU and *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court.

and programming services relating to computer software, firmware, hardware and information technology in EU10583111.

21. The qualification in the specification of the IR that the services are "all provided in relation to the business management and running of veterinary practices" makes no difference. This is because the services covered by the earlier marks are not restricted to any particular field. Therefore, they include services provided to veterinary practices.

22. The services covered by class 42 of the IR are also similar to *computer software* in class 9 of EU10584001 and EU10583111.

23. None of the services covered by class 42 of the IR are similar to the services covered by EU14920383.

# Average consumer and the selection process

24. 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<sup>8</sup>. The goods and services covered by the IR are likely to be bought by those involved in running veterinary practices or purchasing such goods/services on their behalf.

25. Mr Brown's evidence on behalf of the IR holder is that new business generally originates from publicity it receives at conferences, or from visitors to the holder's website. Some initial enquiries are made by telephone. The customers are businesses involved in providing veterinary services or those selecting software systems on behalf of such businesses. The selection process is a carefully considered one. On average, procurement takes 113 days from the initial enquiry to the closing subscription.

<sup>&</sup>lt;sup>8</sup> See Lloyd Schuhfabrik Meyer V Klijsen Handel BV, CJEU, Case C-342/97

26. I find that the goods/services covered by the IR are likely to be selected primarily through visual channels, but that verbal enquiries also play a (secondary) part in the process. The selection process is likely to be highly considered one, although not necessarily one lasting 113 days as in the case of the IR holder's business. Therefore, customers are likely to pay a high level of attention when selecting the goods/services.

#### Distinctive character of the earlier marks

27. In *Lloyd Schuhfabrik Meyer* & *Co. GmbH v Klijsen Handel BV*, 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 WindsurfingChiemsee 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)."

28. When considered as wholes, EASYJET and EASYGROUP have no meaning They are therefore marks with a normal or average degree of inherent distinctive character. However, the prefix EASY is comprised of a word with a well-known meaning, i.e. "not difficult", "simple". I therefore accept that EASY can be used to inform the public that the goods or services are easy to use. This means that the prefix EASY is low in inherent distinctive character as a trade mark. The 'normal' level of distinctive character inherent in the marks EASYJET and EASYGROUP therefore comes from the combination of EASY with JET and with GROUP. The word EASY is the dominant element of EU14920383. It follows that this mark is low in inherent distinctive character as it has is the result of the combination of EASY with '.com' and the overall get-up of the mark (neither of which are negligible in their impact).

#### Acquired distinctiveness

29. Mr Haji-Ioannou is a director of easyGroup. He founded easyJet in 1995. He remains a non-executive director of the latter. Much of Mr Haji-Ioannou's evidence relates to events that occurred 10 to 20 years ago. This is of little relevance to the current proceedings. I will therefore focus on the evidence he gives about more recent events.

30. According to Mr Haji-Ioannou, easyJet flew almost 75m passengers in the year to 31<sup>st</sup> January 2017. Most of these appear to have used flights within the EU, including the UK. easyJet is a ticketless airline and the vast majority of its seats are sold via its internet site, easyJet.com, which is in English, French, German, Spanish, Italian and Danish. easyJet also engages in advertising and booking of accommodation for its passengers. Mr Pixton provides numerous examples of easyJet's airline services receiving publicity in UK media over the past 5 years<sup>9</sup>.

31. easyGroup UK Limited was formed in 1998 to diversify the business away from the airline business under other EASY- brands. Each such business would use 'easy' in lower case immediately followed by a second word of phrase denoting the goods/services offered.

<sup>&</sup>lt;sup>9</sup> See exhibit REP2

32. Mr Haji-Ioannou says that *"the products and services of the EASY businesses are designed with a price point in mind which is competitive in the market place and within reach of as many consumers as possible."* Mr Haji-Ioannou says that these businesses have been diverse, ranging from travel ventures, such as easyJet, easyCar and easyCruise, to accommodation such as easyHotel and easyProperty,to music downloading (easyMusic), to price comparison websites (easyValue) to food delivery (easyPizza) and to gyms (easyGym). In each case the business uses the distinctive EASY get-up.

33. Despite the length of Mr Haji-Ioannou's statement (49 pages), there is limited information about EASY businesses that were present on the market at the relevant date. However, he does explain that easyHotel is licensed in relation to hotel services. This business opened its first hotel in London in 2005. By August 2017, there were 25 such hotels in operation in 8 countries, 5 of which were in the UK. The business had a turnover of nearly £20m in the year to September 2015.

34. The easyProperty mark has been licensed in relation to a residential property estate agent and lettings business since 2014. In the year to September 2015 the turnover was less than £150k. There is no evidence that the business was still going at the relevant date.

35. According to Mr Haji-Ioannou, easyGroup is not just a corporate licensing vehicle. It is also a member of the EASY 'family' of brands. He points out that it has its own website: easyGroup.co.uk. However, there is no evidence that goods/services are marketed under this mark.

36. The easy.com brand has been used since 2000 as a portal providing links to EASY brands. In the seven months to July 2017, the website received nearly 460k visitors. However, it is not clear from the evidence which EASY brands were listed on the portal at the relevant date.

37. On the evidence, I find that:

- EASYJET had acquired a high level of factual distinctiveness at the relevant date as a result of its extensive use in relation to airline services;
- EASYJET had <u>not</u> acquired an enhanced degree of distinctiveness in relation to computer software, business management or veterinary services;
- (iii) There is insufficient evidence to find that EASYGROUP or had acquired an enhanced degree of distinctiveness through use;
- (iv) The evidence does not establish that the opponent had a family of EASY- marks present on the EU market at the relevant date, other than EASYJET and EASYHOTEL.

# Comparison of marks

38. The Court of Justice of the European Union ("CJEU") stated in *Bimbo SA v*  $OHIM^{10}$  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."

It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take account of 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.

<sup>&</sup>lt;sup>10</sup> See paragraph 34 of the judgment in Case C-591/12P

39. The respective trade marks are shown below:

EASYJET EASYGROUP	ezyVet	
Earlier trade marks	Contested trade mark	

40. The closest of the earlier marks to the IR is plainly EASYJET. That mark has 7 letters compared to the 6 which make up the trade mark covered by the IR. Both marks begin with the letter E- and end with -ET. Visually, the middle sections of the marks look rather different, notwithstanding that they both include the letter Y as the last letter of the respective prefixes. This is partly because of the visual effect of the letter Z in the prefix of the IR instead of the letters -AS- in the earlier mark, but also because of the use of the letter V as the first letter in the suffix to the IR rather than the letter J used in the earlier mark. In my view, there is a low to medium degree of overall visual similarity between these marks.

41. EASYJET and EzyVet are more similar to the ear than they are to the eye: EE-ZEE-JET v EE-ZEE-VET. I find that the marks are highly similar from an aural perspective.

42. I consider that average consumers paying a high level of attention would recognise that the prefix of the IR is a mis-spelling of EASY. The marks are therefore conceptually similar to the extent that they convey the idea of 'simple'/'not difficult'. However, EASYJET as a whole has no meaning or, if it does, it brings to mind easy to use 'jets' of some kind. EzyVet brings to mind easy to use vets, or easy to use veterinary services. Consequently, the marks <u>as wholes</u> are not conceptually similar.

43. The opponent's other earlier marks are less similar to ezyVet, both to the eye and to the ear. Arguably, the EASY.com device is closest from a conceptual perspective, dominated as it is by the word EASY. However, even in that mark the word is linked to the suffix '.com', suggesting an easy to use internet site rather than anything to do with vets.

#### Likelihood of confusion

44. 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.

45. I find that:

- (i) the visual differences between EASYJET and ezyVet;
- the high level of attention likely to be paid by consumers of the goods/services covered by the IR; and
- (iii) the fact that these goods/services are likely to be selected initially by visual means and/or that the IR is likely to be seen during the selection process;

- are sufficient to avoid a likelihood of confusion notwithstanding;
  - the identity of the goods/services in classes 9 and 35 and the similarity of the respective goods/services in classes 9 and 42;
  - (ii) the high level of aural similarity between the marks.

46. In reaching this conclusion I have borne in mind that normal and fair use of EASYJET would include easyJet. I do not find this sufficient to alter my conclusion.

47. I have also borne in mind the need to consider all normal and fair uses of the IR in relation to the goods/services for which protection is sought, not just the use described in the IR holder's evidence<sup>11</sup>. Again, I find this makes no material difference in this case.

47. Additionally, I have considered the likelihood of indirect confusion, i.e. that consumers will recognise that the marks are different, but nevertheless take the ezyprefix of ezyVet as indicating that the mark is used by an undertaking connected to easyJet. However, I consider this unlikely for the following reasons. Firstly, EASY (and its phonetic equivalents) is low in inherent distinctiveness. It is not the sort of sign that consumers would naturally expect to be exclusive to one undertaking. Secondly, the inherent distinctiveness of EASYJET (let alone EASY) has not been shown to have been enhanced through use <u>in relation to computer software or business management services</u>. Thirdly, the distinctive character of EASYJET comes from the combination of the words EASY and JET, not EASY alone. Fourthly, the 'ezy' prefix does not give ezyVet the look of a mark from the same stable as EASYJET (or easyJet). i.e. there is no obvious 'family' resemblance between the marks.

48. As I noted earlier, the opponent's other earlier marks are less similar overall to the IR than EASYJET. It follows that there is no likelihood of confusion with these marks either.

<sup>&</sup>lt;sup>11</sup> Per O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited, CJEU, Case C-533/06 at paragraph 66 of the judgment.

49. The opponent's arguments and evidence appear to place reliance on the existence of a 'family' of earlier EASY marks. There are two problems with this. Firstly, no such case was pleaded. Secondly, the opponent's evidence does not establish that UK consumers would have been aware that any such 'family' of marks were present on the UK market at the relevant date<sup>12</sup>. At the most, the opponent's evidence establishes that the UK public would have known that EASYJET and EASYHOTEL were present on the UK market. However, neither of these marks were used in relation to goods or services similar to those covered by the IR. Therefore, this cannot assist the opponent's case under s.5(2)(b), which depends on the respective goods/services being similar to some extent.

50. For the reasons given above, I reject the opposition under s.5(2)(b) of the Act.

# The s.5(3) ground of opposition

- 51. Section 5(3) states:
  - "(3) A trade mark which-
  - (a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

52. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors,* Case 252/07, *Intel,* Case C-408/01, *Addidas-Salomon,* Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora.* The law appears to be as follows.

<sup>&</sup>lt;sup>12</sup> See *Il Ponte Finanziaria SpA v OHIM*, Case C-234/06, CJEU, at paragraphs 62 – 66 of the judgment.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24.* 

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; General Motors, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph* 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42* 

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68;* whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79.* 

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77.* 

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74.* 

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

#### **Reputation**

53. I accept that EASYJET had a strong reputation in the EU at the relevant date in relation to airline services.

# <u>Link</u>

54. As I noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

### The degree of similarity between the conflicting marks

55. I have found that EASYJET and ezyVet are visually similar, although only to a low to medium degree, and highly similar from an aural perspective.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

56. The nature of the services for which the earlier mark has a reputation are wholly dissimilar to those for which the IR holder seeks protection. There may be some overlap between the relevant sections of the public, but this is likely to be slight.

The strength of the earlier mark's reputation

57. The earlier mark had a strong reputation in the EU and UK at the relevant date.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

58. EASYJET is highly distinctive through use in relation to airline services.

Whether there is a likelihood of confusion

59. There is no likelihood of confusion

#### Conclusion on s.5(3) ground

60. Taking all relevant factors into account, I find that no significant part of the UK public will make any link between the IR, when used in relation to the goods/services for which protection is sought, and the earlier mark with its reputation for airline services.

61. It follows that use of the IR will not lead to any of the conditions covered by s.5(3) of the Act.

62. Further, even if I am wrong and some consumers will make a link between the marks, I do not consider that any such mental link<sup>13</sup> would result in the IR taking unfair advantage of the earlier mark. This is because:

- (i) Any such link would be weak;
- (ii) The reputation of EASYJET as a mark of wide appeal to users of price sensitive consumer services, such as travel services, would not easily transfer to, and benefit the marketing of, niche computer software and business management services of the kind covered by the IR;
- (iii) Any link between the marks would be unlikely to reverberate negatively on the reputation of EASYJET as a provider of value airline services.

63. For the reasons given above, I reject the opposition under s.5(3) of the Act.

# The s.5(4)(a) ground of opposition

64. Section 5(4)(a) 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."

<sup>&</sup>lt;sup>13</sup> Meaning that the later mark simply calls the earlier mark to mind

65. In *Discount Outlet v Feel Good UK*<sup>14</sup>, 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)."

66. The opponent's evidence shows that EZY has always been the flight code used by easyJet. The flight code is used by pilots and air traffic controllers. More relevantly, it is also displayed on public notice boards at airports, followed by the flight number, e.g. EZY2212. The opponent's pleaded case is that EZY is therefore distinctive of EASYJET.

67. I see nothing in this case for the following reasons:

- There is no evidence that any significant section of the public would recognise EZY as distinctive of EASYJET outside the context of an airport flight information display;
- (ii) No one would be confused or deceived into thinking that the opponent is connected to the goods/services marketed under the IR simply because the opponent uses EZY as its flight code;

<sup>&</sup>lt;sup>14</sup> [2017] EWHC 1400 IPEC

(iii) No one would be moved to buy the goods/services covered by the IR on the basis of easyJet's flight code.

68. It follows that even if EZY is distinctive of easyJet's airline business, use of the IR would not constitute a misrepresentation to the public, or cause any damage to easyJet's goodwill. The s.5(4)(a) ground of opposition is therefore rejected.

# **Overall outcome**

69. The opposition is rejected. Subject to appeal, the IR will be protected in the UK.

# Costs

70. At the hearing, Ms Chantrielle asked for scale costs if her client was successful. She submitted that such costs should be assessed towards the top end of the published scale because:

- The opponent filed unfocussed evidence which minimised the costs of the opponent, but added to the IR holder's costs in assessing the potential significance of the opponent's evidence;
- (ii) The opponent had delayed matters by taking a month to file evidence in reply to the IR holder's evidence, which it did not do.

71. I see no merit in the second point. The opponent was entitled to take the full time allowed for filing evidence in reply. It should not be dealt with more harshly for deciding not to file such evidence. In any event, this only delayed matters by a month.

72. I see more force in the first point. Much of Mr Haji-Ioannou's statement was irrelevant to the current proceedings. But the IR holder still had to go through it all to make that assessment. I will take this into account.

73. I assess costs as follows:

Considering the notice of opposition and filing a counterstatement: £300 Considering the opponent's evidence and filing evidence in response: £1700 Filing a skeleton argument and attending a hearing: £700

74. I therefore order easyGroup Limited to pay Vet Concepts Limited the sum of  $\pounds 2700$ . This sum to be paid within 21 days of the end of the period allowed for appeal or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings (subject to any order of the appellate tribunal).

Dated 29th May 2019

Allan James For the Registrar