

O-352-15

TRADE MARKS ACT 1994

**TRADE MARK APPLICATION NO. 3044654
BY EDGEVERVE SYSTEMS LIMITED
TO REGISTER THE TRADE MARK**

BrandEdge

IN CLASSES 9, 16, 35, 36, 37, 38, 41, 42 AND 45

AND

**THE OPPOSITION THERETO UNDER NO. 402411
BY CARIN BURCHELL**

Background and pleadings

1. Carin Burchell is a trade mark attorney who owns Community trade mark (“CTM”) number 2994176 for the mark BRANDED! The trade mark is registered in classes 16, 41 and 42. Ms Burchell has opposed the registration of some of the goods and services in classes 16, 41 and 45 of application number 3044654 for the trade mark BrandEdge. The applicant is EdgeVerve Systems Limited.

2. The application was filed on 28 February 2014 and was published on 28 March 2014. Ms Burchell bases her opposition on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Her earlier mark was applied for on 17 January 2003 and it completed its registration procedure on 26 October 2004. The goods and services relied upon for the purposes of 5(2)(b) of the Act, for which Ms Burchell has made a statement of use, are as follows:

Class 16: Paper and goods made from paper, not included in other classes; printed matter; brochures; instructional and teaching materials; stationery, pens.

Class 41: Arranging and conducting of exhibitions, seminars, conferences; electronic publications, not downloadable.

Class 42: Legal services relating to intellectual property rights; professional advisory services relating to intellectual property rights, the infringement of intellectual property rights and the licensing of intellectual property rights; filing of applications for intellectual property rights; prosecution of applications for intellectual property rights; advisory services relating to intellectual property protection; advisory services relating to intellectual property rights; advisory services relating to property transactions in intellectual property rights; intellectual property consultancy; information, including information provided from a global computer network, relating to the aforesaid services; information relating to intellectual property, the protection and exploitation of intellectual property.

3. Ms Burchell claims that there is a likelihood of confusion under section 5(2)(b), owing to the similarities between the marks and the goods and services. Under section 5(3), she claims that the reputation enjoyed by her mark in relation to the class 42 services listed above means that use of the application for legal services; copyright management; licensing of intellectual property; and intellectual property consultancy would cause detriment to the earlier mark’s distinctive character and reputation, would take unfair advantage of the earlier mark’s reputation, and would lead to an assumption by the average consumer that there is an economic connection between the parties.

4. Under section 5(4)(a), Ms Burchell relies upon use of the sign BRANDED! since January 2005, throughout the UK, upon the same list of goods and services shown above, in paragraph 2. Ms Burchell claims that use of the application would be a misrepresentation which would lead to damage to her business. Ms Burchell claims that she is entitled to prevent the use of the application under the law of passing off.

5. The case came before me for a hearing by video conference on 17 July 2015. Two days before the hearing, Ms Burchell filed an amended notice of opposition, restricting the scope of her objection to the application. The services now opposed under section 5(3) of the Act are listed in paragraph 3, above (in class 45). The goods and services now opposed under sections 5(2)(b) and 5(4) are those shown here:

Class 16: Printed matter and printed publications except those relating to computers; instructional and teaching material other than those relating to computer software and hardware unrelated to the protection, management or enforcement of intellectual property; bookbindings other than those relating to computer software and hardware unrelated to the protection, management or enforcement of intellectual property; booklets other than those relating to computer software and hardware unrelated to the protection, management or enforcement of intellectual property; books other than those relating to computer software and hardware unrelated to the protection, management or enforcement of intellectual property.

Class 41: Providing of training; arranging and conducting of conferences; arranging and conducting of seminars; arranging and conducting of workshops [training]; providing on-line electronic publications, not downloadable; publication of electronic books and journals online; publication of texts, other than publicity texts; other than the aforesaid relating to computer software and hardware unrelated to the protection, management and enforcement of intellectual property.

Class 45: Legal services; copyright management; licensing of intellectual property; intellectual property consultancy.

6. The applicant denies the grounds, chiefly on the basis that the marks are not similar. The applicant puts Ms Burchell to proof that she has made genuine use of the goods and services for which she has made a statement of use, as per section 6A of the Act.

7. Both sides filed evidence. The applicant asked to be heard and was represented at the hearing by Ms Rachel Harrison, of Bird & Bird LLP, its professional representatives. Ms Burchell represented herself at the hearing, albeit in her professional capacity as an attorney with Branded! TM Limited, her firm of trade

mark attorneys. I make this decision having reviewed all the papers and having listened to both representatives' oral submissions.

Ms Burchell's evidence

8. Two days before the hearing, Ms Burchell sought to have admitted some documents relating to her company registration from the register at Companies House. These documents are a matter of public record. They do not take this opposition any further forward and I will not summarise them, but I record here that I did not refuse their admission.

9. Ms Burchell has filed a witness statement introducing the following exhibits:

- Exhibit CEB2: copies of letterheads, compliment slips and email 'sign-offs' which show the mark BRANDED! together with copies of invoices for printing letter-headed paper. These are said to show use of the mark on class 16 goods and on the services relied upon.
- Exhibit CEB3: examples of business cards, handed out during the course of day to day business and at networking events and exhibitions attended by Ms Burchell and her firm of attorneys. These are said to show use of the mark on class 16 goods and on the services relied upon.
- Exhibit CEB4: photographs of promotional pens, note pads and USB memory sticks which show the mark BRANDED! These were handed out by Ms Burchell at exhibits and promotional events between 2005 and 2012. These are said to show use of the mark on class 16 goods and on the services relied upon.
- Exhibit CE5: a brochure handed out to prospective clients, which refers to the fact that Ms Burchell has been trading under the name BRANDED! since 2005 in respect of trade mark attorney services. This brochure is said to show use of the mark on class 16 goods and on the services relied upon.
- Exhibit CEB6: copies of various Powerpoint presentations for talks given by Ms Burchell at seminars and conferences in 2008 and 2010. These are said to show use of the mark on the services relied upon in class 41.
- Exhibit CEB7: advertisements for trade mark attorney services, some of which are dated 2005 and 2010. It is not possible to see where all the advertisements were placed, although some were clearly in publications of a local nature (Ms Burchell's business is located in Clifton Moor, York). Ms Burchell states that she attends many intellectual property conferences including the INTA (International Trademark Association) Annual meeting; the ECTA (European Community Trade Mark Association Annual Meeting; and the APAA (Asian Patent Attorneys Association), which she attends as an observer. Ms Burchell states that she has obtained work from a number of trade mark attorneys and intellectual property advisors whom she has met at such conferences, and that she also instructs overseas attorneys to handle

work on behalf of her clients in other jurisdictions. She specifically refers to having clients and attorneys with whom she works in India and exhibits a list of contacts made when she attended the APAA conference in 2005, in New Delhi.

- Exhibit CEB8: copies of Ms Burchell's fee schedules for the years 2005 to 2013 in relation to various matters in respect of the filing, protection and litigation of trade marks. At the hearing, Ms Burchell referred to these prices as being Yorkshire rates, rather than London rates.
- Exhibit CEB9: ten invoices addressed to UK clients from 2005 to 2013 for the services of Ms Burchell as a trade mark attorney. The invoices are to clients in York, Ripon (North Yorkshire), Leeds, Birmingham, Stokesley (North Yorkshire) and Wakefield. In December 2012, Ms Burchell held 2207 client records (exhibit CEB10). In the year April 2011 to March 2012, Ms Burchell states that she billed 110 UK and overseas clients. She received about a hundred new client enquiries a year between 2009 and 2012, less than 10% of which were from overseas.
- Exhibit CEB11: the amount of gross turnover generated under the trade mark ranged from not less than £220,000 in 2005 to not less than £170,000 in the year to March 2014. Advertising expenditure ranged from about one to two thousand pounds a year.
- Exhibit CEB14: press articles from The Yorkshire Evening Press (20 January and 10 November 2005), an unnamed publication (9 September 2005), and The Clifton Moor Business Association newsletter (Summer 2012 and Autumn/Winter 2013) referring to Ms Burchell's trade mark attorney business BRANDED! and to developments in trade mark legislation.
- Exhibit CEB15: screenshots from Ms Burchell's website, from 2013 and 2014, showing BRANDED! Ms Burchell states that the website is updated with news periodically. This is said to show use of the mark for electronic publications, not downloadable. In a second witness statement, dated 15 April 2015, Ms Burchell exhibits at CEB20 an example of the electronic version of the brochure referred to in exhibit CEB5.
- Exhibit CEB20: to rebut the applicant's submission that there has been no use shown on arranging of seminars, Ms Burchell exhibits her firm's World IP Day event, held in 2013, at which presentations about intellectual property matters were made. Photograph show less than ten people attending a talk, which appears to have been a fundraising event for a cancer support charity.

10. The applicant filed a witness statement from a trade mark attorney at Bird & Bird LLP, Theresa Castle. The intention of this evidence is to show the actual field in which the applicant uses its BrandEdge mark, which is cloud based digital marketing.

Decision

11. Section 5(2)(b) of the Act states that:

“(2) A trade mark shall not be registered if because –

(a)

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

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

12. 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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

13. Some of the contested goods and services, e.g. printed matter, conferences and intellectual property services, are identical to the goods and services on which the opposition is based. For reasons of procedural economy, I will not undertake an assessment as to whether genuine use has been made of the earlier mark, nor make a comparison of the parties' goods and services. The examination of the opposition under section 5(2)(b) will proceed on the basis that the contested goods and services are identical to those covered by the earlier trade mark. If the opposition fails, even where the goods and services are identical, it follows that the opposition will also fail where the goods and services are only similar.

Average consumer

14. 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*.

15. 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.”

16. The goods and services of both parties vary from the generally cheap (pens) to the relatively expensive (arranging conferences and legal services). Legal services have potentially a long-term and important impact and will be purchased after exercising an above average degree of care and attention. In the modern business world, the perception of the marks during the selection process is likely to be primarily visual, on the basis of e.g. advertisements, company literature and websites, but I do not ignore the possibility of oral use of the marks during the purchasing process. These are goods and services bought by both the general public and business users. Ms Burchell submitted that oral use is particularly prevalent in the intellectual property consultancy field, where business is placed through word-of-mouth recommendation.

Comparison of marks

17. 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.”

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.

18. The respective marks are:

Earlier mark	Application
BRANDED!	BrandEdge

19. Ms Burchell’s mark consists of a single word, BRANDED, and an exclamation mark. The exclamation mark, whilst not negligible, is a commonplace punctuation mark which serves to emphasise what precedes it. This means that the dominant and distinctive element of the mark is BRANDED, and it is this word which forms the overall impression of Ms Burchell’s mark. The applicant’s mark is presented as two common words, conjoined, but with each word plainly distinguishable, particularly

owing to the separation provided by the capital E of Edge, but even without the capital E would still be seen as the conjunction of the two (Ms Burchell submitted that notional use of the application would include all in lower case). Ms Burchell submitted that the average consumer would not notice the additional 'ge' at the end of the applicant's mark. This is highly unlikely as the mark is clearly made up of two common English words. The overall impression of the applicant's mark is of the conjunction of the words Brand and Edge.

20. There is a medium degree of visual similarity between the marks because the first seven letters of the application are the same as the word component of the earlier mark. The visual similarity is no higher than medium because of the absence of the exclamation mark in the application, the extra two letters, and the separation caused by the capital letter E.

21. Ms Burchell submitted that, aurally, the marks are very close. I disagree. The second syllables in each mark are aurally distinct from one another; one ends in a 'd' sound, the other in a 'j' sound. Brand-edge will not be pronounced with the stress more on brand than edge, as in 'bandage'. The two words brand and edge will be given equal stress, unlike in Ms Burchell's mark, where the stress will be predominantly upon the first syllable. There is a low degree of aural similarity between the marks.

22. The applicant submits that the concept of its mark is that of a trendy or cutting edge brand – a brand with edge, an edgy brand. Contrastingly, the applicant submits that the concept of the earlier mark is that of something having been tagged, stamped or fixed with a brand. Branded is the past tense of the transitive verb 'to brand'; I note that the definition of 'to brand/branded' in Collins English Dictionary (2014) is:

- “10 to label, burn, or mark with or as with a brand
- 11 to place indelibly in the memory: *the scene of slaughter was branded in their minds*
- 12 to denounce; stigmatize: *they branded him a traitor*
- 13 to give a product a distinctive identity by means of characteristic design, packaging, etc”.

The last meaning relates to brands, as in trade marks, as does part of the top meaning. When the exclamation mark is factored into the conceptual assessment of BRANDED! it will, in my view, also bring to mind the more emphatic definitions, as well as the more obvious trade mark meaning in the context of trade mark services. There is a slight level of conceptual similarity in that both marks reference brands, as in trade marks, but they do so in such different ways, with other conceptual overtones present, that they are more conceptually different than similar.

Distinctive character of the earlier mark

23. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*¹ 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).”

24. The inherent distinctive character of BRANDED! is greater for some of the goods and services for which it is registered than others, but no more than average. For services relating to trade marks and brands, it is low in inherent distinctive character. I note from her evidence that Ms Burchell’s brochure which she gives to prospective clients says this, under the heading, ‘What is a trade mark’:

“A “brand” or trade mark can take many forms. It can be a word, a logo, a shape or even a sound – or a combination of any of these. In fact, a trade mark is anything which distinguishes one product or service from others and indicates where it comes from.”

Although to a trade mark practitioner there is a difference between brands and trade marks, to the average consumer they are one and the same. This is demonstrated by the interchangeable use of the terms brand and trade marks in the extract from Ms Burchell’s brochure. Branded, indicating the giving of a product a distinctive identity, is therefore low in inherent distinctive character for services which, to the untrained eye of the average consumer, protect one’s brands. I also note that Ms Burchell’s evidence includes the following, from one of the press articles², which reported upon her new ‘logo’ BRANDED! (presented as the imprint of a rubber stamp):

¹ Case C-342/97.

² Yorkshire Evening Press, 20 January 2005: Exhibit CEB14.

“She [Ms Burchell] wanted something modern and upbeat that continued to say exactly what the practice was about.

...

“We wanted something short, distinctive and memorable, which would still suggest the nature of our services,” said Carin”.

I agree that BRANDED! is suggestive of the nature of Ms Burchell’s services and it is therefore no more than low in inherent distinctive character for services relating to intellectual property, particularly brands and trade marks.

25. The level of use demonstrated in the evidence is insufficient to entitle Ms Burchell to claim an enhanced level of distinctive character. The class 16 goods were given out as freebies and therefore BRANDED! on these goods did not perform the essential function of a trade mark in relation to class 16 goods, which is to identify the commercial origin of the goods. Attending conferences, whether speaking or not, is not evidence of arranging and conducting of the same and the small-scale seminar/networking event at Ms Burchell’s offices in 2013 cannot assist in raising the mark’s inherent level of distinctive character. Finally, Ms Burchell describes the field of trade mark consultancy as niche. The figures in the evidence point to a business of a modest size, which appears to have a local client base in Yorkshire, with about 110 clients billed per year, working out at roughly £2000 apiece. This is not a substantial amount for legal services; the fee schedule indicates, for example, that it cost a 2013 client £500 for a trade mark search, £700 to file a trade mark in one class, and £100 for each additional class. Filing a fast track opposition cost £500. Additionally, professional time cost £240 per hour ex VAT for the services of a senior trade mark attorney. The level of turnover (about £200,000 gross per year), in the context of these fees, is therefore modest. The evidence does not support a claim to enhanced distinctive character for the class 42 services.

Likelihood of confusion

26. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision. This includes keeping in mind the whole mark comparison, because the average consumer perceives trade marks as wholes and rarely has the opportunity to compare marks side by side, relying instead upon the imperfect picture he has of them in his mind. One of the principles in the authorities states that a lesser degree of similarity between goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*). I said earlier that I would make the assessment on the notional basis that the parties’ goods and services are all identical. This is because, in my view, even if that were the case, there would still be no likelihood of confusion. My reasons for this are that the differences between the marks are too great, even in relation to goods for which there will be a lower level of attention paid (e.g. pens), to cause the average consumer, who is reasonably well informed and reasonably observant and

circumspect, to recall the marks imperfectly, particularly on the basis of an earlier mark which is, at best, only averagely distinctive. Conceptual differences can counteract visual and aural similarities; in this case, the high point of similarity is visual and then only to a medium degree. In *The Picasso Estate v OHIM*, Case C-361/04 P, the CJEU found that:

“20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the Court of First Instance did not in any way err in law.”

27. The section 5(2)(b) ground of opposition fails.

28. 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 Community trade mark or international trade mark (EC), in the European Community) 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.”

32. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

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*).

29. The conditions of section 5(3) are cumulative. Firstly, Ms Burchell must satisfy me that her earlier CTM has achieved a level of knowledge/reputation amongst a significant part of the public. Secondly, she must establish that the level of reputation and the similarities between the parties' marks will cause the public to make a link between the marks, in the sense of the earlier mark being brought to mind by the later mark. Thirdly, assuming that the first and second conditions have been met, section 5(3) requires that one or more of three types of damage claimed will occur. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the

marks. It is also unnecessary for there to be a likelihood of confusion for success under section 5(3)³, but there must be a link leading to damage.

30. The assessment is to be made as stated in *General Motors Corporation v Yplon SA* [1999] E.T.M.R. 950:

“23. ... In so far as Article 5(2) of the Directive, unlike Article 5(1), protects trade marks registered for non-similar products or services, its first condition implies a certain degree of knowledge of the earlier trade mark among the public. It is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks, even when used for non-similar products or services, and that the earlier trade mark may consequently be damaged.

24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

31. Ms Burchell’s earlier mark is a community trade mark. In *PAGO International GmbH v Tirolmilch registrierte Genossenschaft mbH*, case C-301/07, the CJEU stated:

“Article 9(1)(c) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the European Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.”

32. As already indicated, the gross turnover figures indicate a business of a modest size, even if one accepts, as contended by Ms Burchell, that the area of business is

³ *Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P.

niche. Further, the evidence appears almost wholly local. With the exception of one invoice to a client in Birmingham, the other invoices are to clients in Yorkshire. Publicity appears to have been mainly in the local press, and the photographs of the World IP event in 2013 held at Ms Burchell's York office look to be on a very small scale. The evidence does not enable me to reach a finding that the earlier mark is known by a substantial part of the public, whether in the Community or in the UK, for the services relied upon in class 42. Even if I am wrong about that, the marks are not similar enough to cause a link to be made on the part of the relevant public, even for identical services. Without a link, there will be no damage. The section 5(3) ground of opposition fails.

33. 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.”

34. Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

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

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous

statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.”

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

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

(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.”

36. It follows from my findings earlier in this decision that I do not consider the sign relied upon to be similar enough to the application for a substantial number of the relevant public to be deceived, despite the earlier mark having a modest level of goodwill in legal services relating to intellectual property, which represents the high point of Ms Burchell's section 5(4)(a) ground.

Costs

37. The applicant has been successful and is entitled to a contribution towards its costs, in line with the scale of costs published in Tribunal Practice Notice 4/2007. The breakdown of costs is as follows:

Considering the notice of opposition and filing the counterstatement	£300
Considering Ms Burchell's evidence and filing evidence	£750
Attendance at the hearing	£500
Total	£1550

38. There is also the matter of costs following a case management conference ("CMC") held on 9 December 2014, before a different hearing officer, to consider Ms Burchell's request for certain exhibits to be kept confidential. The letter sent to the parties after the CMC does not mention costs. I therefore decline to make an award in respect of attendance at the CMC.

39. I order Carin Burchell to pay EdgeVerve Systems Limited the sum of £1550 which, in the absence of an appeal, should be paid within fourteen days of the expiry of the appeal period.

Dated this 30th day of July 2015

**Judi Pike
For the Registrar,
the Comptroller-General**