

O-435-19

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3177989
BY GLENKEIR WHISKIES LIMITED TO REGISTER THE TRADE MARK**

THE W CLUB

IN CLASSES 16, 33, 35, 41 AND 43

**AND IN THE MATTER OF OPPOSITION THERETO UNDER NO. 408534 BY
STARWOOD HOTELS & RESORTS WORLDWIDE, LLC**

BACKGROUND AND PLEADINGS

1) Glenkeir Whiskies Limited (hereafter “the applicant”) applied to register the mark THE W CLUB. The relevant dates and list of goods and services are:

Filing date: 2 August 2016

Publication date: 11 November 2016

Class 16: *Printed matter; printed publications; magazines; newsletters; leaflets; pamphlets; books; printed matter promoting whisky and spirits and the whisky and spirit trade; charts; guides for whisky and spirit appreciation; printed instructional and teaching materials, course books, reference and text books and manuals; photographs; stationery; artists' materials.*

Class 33: *Alcoholic beverages (except beers).*

Class 35: *Advertising; business management; business administration; administration of loyalty programmes involving discounts or incentives; administration of a discount programme for enabling participants to obtain discounts on goods and services through use of a discount membership card; retail services in relation to liquor, by subscription; arranging subscriptions to whisky clubs; retail services, mail order retail services and electronic retail services for alcohol, whisky and whisky based beverages, glassware, tableware, samples of whisky and whisky based beverages and other spirits with tasting notes and educational information, tasting cards, pipettes, souvenir photographs, clothing, scarves, bags, umbrellas, wallets, purses, jewellery and clothing accessories, publications; customer club services for commercial, promotional and/or advertising purposes; provision of information and advice to the prospective purchasers of spirits; compilation and transaction of data; compilation of advertisements for use as web pages on the Internet; auctioning services; auctioning of spirits; arranging and organising of trade fairs; information, advisory and consultancy services in relation to all of the aforementioned services.*

Class 41: *Entertainment; cultural and sporting activities; education; whisky club services (entertainment and education); providing of training; entertainment relating to whisky tastings; organisation of whisky tastings; whisky-tasting events; whisky appreciation courses; organisation of conferences, exhibitions, shows, workshops and seminars; party planning services; publishing services; publishing of printed matter relating to whisky and other alcoholic beverages; preparation and production of radio, television and video broadcasts relating to whisky and other alcoholic beverages; providing on-line electronic publications; publication of electronic books and journals on-line; information, advisory and consultancy services in relation to all of the aforementioned services.*

Class 43: *Services for providing food and drink; club services for providing food and drink; whisky club services (providing food and drink); consultancy services relating to the purchase of whisky; whisky bar services; providing information and exchange of information in relation to whisky and spirits; catering services; bar services; restaurant services; cafe and cafeteria services; snack-bar services; fast-food restaurant services; temporary accommodation; information, advisory and consultancy services in relation to all of the aforementioned services.*

2) Starwood Hotels & Resorts Worldwide, LLC (hereafter “the opponent”) opposes the application. The opposition is based upon section 5(2)(b), section 5(3) and section 5(4)(a) of the Trade Marks Act 1994 (“the Act”). In respect of the first ground, the opponent relies upon the following three marks when challenging the application insofar as it covers classes 16, 33, 41 and 43:

EU Mark (EUTM) No. 6490494
<p>THE W</p> <p>Filing date: 6 December 2007</p> <p>Registration date: 2 October 2008</p>
<p>The list of services:</p> <p>Class 43: <i>Services for providing food and drink; temporary accommodation.</i></p>

EUTM No. 8932386
<p>THE W</p> <p>Filing date: 5 March 2010</p> <p>Registration date: 21 March 2014</p>
<p>The list of services:</p> <p>Class 41: <i>Providing entertainment facilities (excluding amusement arcade services); club services (entertainment or education); providing karaoke services; discotheque services; night club.</i></p>

UK Trade Mark (UKTM) No. 2510840
<p>THE W</p> <p>Filing date: 11 March 2009</p> <p>Registration date: 23 October 2009</p>
<p>The list of services relied upon:</p> <p>Class 43: <i>Services for providing food and drink; temporary accommodation.</i></p>

3) The opponent also relies upon the following mark when challenging the application insofar that it covers classes 16 and 35:

EUTM No. 10019611
<p>THE W</p> <p>Filing date: 3 June 2011</p> <p>Registration date: 31 January 2013</p>
<p>The list of services:</p> <p>Class 35: <i>Business management; business administration; office functions; gift and sundries retail services located in hotels.</i></p>

4) It also relies upon the following mark when challenging the application insofar as it covers Class 33:

EUTM No. 11635562
<p>THE W</p> <p>Filing date: 7 March 2013</p> <p>Registration date: 31 July 2013</p>
<p>The list of goods and services:</p> <p>Class 32: <i>Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.</i></p> <p>Class 34: <i>Tobacco; smokers' articles; matches.</i></p> <p>Class 38: <i>Telecommunications.</i></p> <p>Class 39: <i>Transportation of passengers and goods by aeroplane, Transportation of passengers and goods by car, Transportation of passengers and goods by train, Transportation of passengers and goods by bus and transportation of passengers and goods by boat; agency services for arranging travel; services for the arranging of excursions for tourists and for the arranging of tours.</i></p>

5) It also relies upon the following mark when challenging the application insofar as it covers Class 16:

UKTM No. 2442001
 <p>Filing date: 20 December 2004</p> <p>Registration date: 7 March 2008</p>
<p>The list of goods:</p> <p>Class 16: <i>Publications, newsletters, printed matter in the field of hotels.</i></p>

6) The opponent's marks are all earlier marks within the meaning of section 6(1) of the Trade Marks Act 1994 ("the Act") because they have filing dates earlier than the filing date of the contested application. Three of the earlier marks (EUTM 6490494, UKTM 2510840 and UKTM 2442001) completed their registration procedures more than five years before the publication date of the contested application and, as a result, they are potentially subject to the proof of use provisions contained in section 6A of the Act. The three other earlier marks (EUTM 8932386, EUTM 10019611 and EUTM 11635562) are not subject to the proof of use provisions.

7) The opponent asserts that registration of the contested application would be contrary to section 5(2)(b) of the Act because the respective marks "are identical save for inclusion of the non-distinctive, descriptive word, 'club'".

8) In respect of the grounds based upon section 5(3) of the Act, the opponent relies on earlier EUTMs 6490494, 10019611 and 8932386 (detailed above) and, in addition, it relies on the following UKTM (that is also potentially subject to the proof of use provisions, but the applicant has not required that the opponent prove use), the relevant details of which are:

UKTM No. 2541133
<p>THE W</p> <p>Filing date: 5 March 2010</p> <p>Registration date: 16 July 2010</p>
<p>The list of services:</p> <p>Class 41: <i>Providing entertainment facilities; club services (entertainment or education); providing karaoke services; discotheque services; night clubs.</i></p>

9) The opponent asserts that:

- The respective marks are closely similar and cover identical of closely similar goods/services;

- Use of the contested marks would lead to the applicant obtaining an unfair advantage because its mark would benefit from the opponent's investment in advertising and promoting its own mark. The applicant is likely to gain sales, goodwill and an enhanced status as a result of association with the opponent's mark;
- The applicant's use of its mark will be out of the control of the opponent and if poor quality goods or services are produced by the applicant it will lead to detriment to the opponent's reputation;
- There will also be detriment to the distinctive character of the opponent's mark because use of the applicant's mark will result in dilution with the economic behaviour of the relevant public being affected because they will associate the applicant's goods and services with those of the opponent.

10) In respect of the ground based upon section 5(4)(a), the opponent relies upon its claimed goodwill in the UK, since 1 January 2011, throughout the UK in respect of its sign "THE W" for the following list of services:

~~Hotel services; services for providing food and drink; entertainment services; provisions of venues for cultural, business or entertainment events; concierge services; retail services in relation to clothing, books cards, gifts, food, drinks, pampering services; meeting room services; business centre services; stationery, books; holding of parties; bar services; gym and fitness services; designer wardrobe services; concierge services, booking services; arrangement of travel; arrangement of bookings for food and drink; cinema services; spa, steam and sauna services; club services; night club services; provisions of wifi.~~

11) The applicant filed a counterstatement denying the claims made and requesting that the opponent provide proof of use in respect of the following earlier marks (it did not put the opponent to proof of use of its UKTM 2541133):

- UKTM 2442001 – Class 16: Publications, newsletters, printed matter in the field of hotels;
- EUTM 6490494 – Class 43: Services for providing food and drink; temporary accommodation;
- UKTM 2510840 – Class 43: Services for providing food and drink; temporary accommodation.

12) The applicant states that the opponent does not appear to use the mark THE W.

13) The opponent and applicant both filed evidence. I will refer to this to the extent that I consider it necessary. The applicant also filed written submissions that I will keep in mind. A hearing was held on 11 July 2019 where the opponent was represented by Tom Alkin of Counsel, instructed by HGF Limited. The applicant was not represented at the hearing but has been represented by Murgitroyd & Company during the proceedings.

Opponent's Evidence

14) This takes the form of a witness statement by Marshall Donat who, for the last 2 years, has been Vice President and Senior Counsel at Marriott International, a company related to the opponent. For the 17 years before this he was Vice President and Associate General Counsel at the opponent. Mr Donat provides information regarding THE W premium hotel brand and the history of the trade mark. I will discuss the relevant evidence in my decision.

Applicant's Evidence

15) This takes the form of a witness statement by Jacqueline McKay, Trade Mark Attorney and Director, Trade Marks of Murgitroyd & Company. At her Exhibit JMK1, Ms McKay provides an undated extract from the "Our Brands" page of the website www.marriott.com that shows 30 brands that does not include THE W, but does include the following:



DECISION

Proof of Use

16) In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale

and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

17) The opponent’s earlier EUTM 6490494 and earlier UKTMs 2442001 and 2510840 have been put to proof of use. For the purpose of my considerations, I note that the EUTM and UKTM 2510840 are in respect of identical services and identical marks. Therefore, whilst the relevant period of use varies slightly between the two, this does not appear to make any material difference and, for procedural economy, I will consider use only in respect of the UKTM. The opponent must show use in respect of the following goods and services:

Class 16: *Publications, newsletters, printed matter in the field of hotels* (UKTM 2442001)

Class 43: Services for providing food and drink; temporary accommodation
(UKTM 2510840)

18) The opponent's evidence can be summarised as follows:

- Throughout his witness statement, Mr Donat refers to the opponent's premium hotel brand as "The W" and states that "The W hotel in London opened in February 2011". This opening was attended by numerous prominent figures from the fashion, design and entertainment industries¹;
- The opponent has one hotel in the UK that is consistently referred to in the exhibits as "W London Leicester Square" (on headers of invoices², third party hotel booking websites such as "booking.com" and "Expedia.co.uk"³) or it appears in one of three stylised ways⁴:

1)



2)



3)



- An internal document called a Public Relations Recap Report relating to the launch of the London hotel records that there were in excess of 1000 articles relating to its launch⁵;
- The number of guests staying at the W London hotel is in excess of 190,800 in the period 2 August 2011 to 11 November 2016⁶ and a turnover in excess of US\$141,334,200⁷;

¹ Mr Donat's witness statement, para.5

² Exhibit MD3

³ Exhibit MD5

⁴ For example shown on the invoices at Exhibit MD3, the opponent's social media output at Exhibit MD7 and its YouTube videos at Exhibit MD10

⁵ Exhibit MD2, page 98

⁶ Mr Donat's witness statement, para. 8

⁷ Ditto, para. 9

- Accommodation at the opponent’s London hotel can be booked directly via its website or third party websites such as booking.com, expedia.co.uk, agoda.com, trivago.com and hotels.com⁸;
- The opponent’s London hotel offers bar services to both residents and non-residents⁹ and drinks menus are provided¹⁰;
- The opponent heavily promotes its hotels and “spends hundreds of thousands of dollars every year on marketing and advertising its services” and this relates to print and audio-visual media and social media advertising¹¹. The opponent has dedicated Instagram, Facebook and Twitter pages for many of its hotels including its hotel in London. This has in excess of more than 10,000 Instagram followers, 25,000 followers on Facebook and 15,000 followers of Twitter¹². An extract from the London hotel’s Facebook page (printed on 13 November 2018) is provided illustrating use of the second of the stylised marks shown above. References are also made to “W London – Leicester Square” and “See more of W London – Leicester Square on Facebook”¹³;
- The opponent also promotes its hotels on YouTube with many of its hotels, including the one in London having their own dedicated accounts where promotional videos are uploaded¹⁴. Under the heading “Explore W London – Leicester Square” are a number of videos about the hotel. One, entitled “W London – Leicester Square Hotel Slideshow”, indicated that it has received 3.9k views¹⁵;
- The location of the opponent’s hotel in Leicester Square is a desirable location for hosting parties and events¹⁶ and a selection of thirteen “flyers” promoting special events hosted by the London hotel is provided¹⁷. These are dated between August 2011 and June 2016 and bear (often at the bottom right of the flyer) the first of the stylised marks shown above;

⁸ Ditto, para. 12 and Exhibit MD5 that shows archived extracts from these websites for the period 2012 - 2016

⁹ Ditto, para. 13

¹⁰ Exhibit MD6

¹¹ Mr Donat’s witness statement, para. 14

¹² Ditto, paras. 15 – 17 and Exhibits MD7 – MD8

¹³ Exhibit MD10

¹⁴ Ditto, para. 18

¹⁵ Exhibit MD10

¹⁶ Mr Donat’s witness statement, para. 19

¹⁷ At Exhibit MD11

- A number of articles from Grazia magazine, Event magazine and Metro, dated between 26 November 2014 and 18 August 2015, relating to events at the London hotel, are provided¹⁸. References to the hotel in these articles include:
 - “W London to host RED experiences”;
 - “Hotel W London – Leicester Square has revealed ...”;
 - “... Rankin’s Hunger magazine party in the W London hotel...”
- The NME Awards after party was held at the London hotel in 2012 and this received a lot of press coverage¹⁹. Reports that appeared in the Evening Standard and Mail Online are provided²⁰. These both refer to “the W Hotel in London’s Leicester Square”;
- It is stated that the opponent’s hotels feature regularly in the UK and EU press²¹ and examples are provided²² from travel-news.co.uk, thedrum.com, telegraph.co.uk, standard.co.uk, campaignlive.co.uk, businessstraveller.com and independent.co.uk, dated between January 2011 and July 2016. These press articles refer, variously to:
 - “Luxury hotel W London unveils”
 - “...the capital’s ultimate experience in urbane living – The Residence at W London – Leicester Square”
 - “W London partners with ...”
 - “The W London hotel has appointed ...”
 - “Hotel W London at Leicester Square has announced...”
 - “W Hotel London offering ...”
 - “”...before I was able to confirm my booking at the W London to review its new...”
 - “Luxury cinema opens for business at Leicester Square’s W Hotel”
 - “W London to host RED experiences”
 - “Hotel W London – Leicester Square has revealed...”
 - “On the same night W London will host ...”
 - “Preview: W London Leicester Square”
 - “The W is part of Westminster council’s ...”

¹⁸ ditto

¹⁹ Mr Donat’s witness statement, para. 20

²⁰ Exhibit MD12

²¹ Mr Donat’s witness statement, para. 21

²² At Exhibit MD13

19) The first thing that I take from this evidence is a lack of use regarding any of the claimed Class 16 goods, namely *Publications, newsletters, printed matter in the field of hotels*. The high point of the opponent's case is that the evidence shows printed publicity material relating to its hotel and an internal report. These are not evidence of the opponent conducting a business in respect of such goods. For this reason, the opponent has failed to provide evidence of genuine use in respect of these. As a consequence, it has failed to demonstrate genuine use in respect of its stylised W mark (2442001).

20) The evidence does clearly demonstrate that the opponent has an established hotel business operating in Leicester Square since 2011. The evidence illustrates that the opponent's hotel in London is branded using various marks, all of which are different to the earlier word mark THE W. Therefore, it is necessary that I consider whether these various marks qualify as acceptable variants of its registered mark.

Use in a differing form

21) The respective marks are:

The registered mark: THE W

The marks used by the opponent:

1)



2)



3)



22) At the hearing, Mr Alkin submitted that the use shown is of immaterial variants of the opponent's THE W mark. In considering the merits of such a submission, I keep in mind the case law discussed below.

23) In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act as follows:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

24) Although this case was decided before the judgment of the Court of Justice of the European Union ("CJEU") in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, it remains sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark. On this issue, the CJEU commented:

"35. ... a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term 'genuine use' within the meaning of Article 15(1).

36. In the light of the above considerations, the answer to the questions referred is that the condition of genuine use of a trade mark, within the

meaning of Article 15(1) of Regulation No 40/94, may be satisfied where a registered trade mark, which has become distinctive as a result of the use of another composite mark of which it constitutes one of the elements, is used only through that other composite mark, or where it is used only in conjunction with another mark, and the combination of those two marks is, furthermore, itself registered as a trade mark.”

25) The General Court (“the GC”), in *Hypen GmbH v EU IPO*, Case T-146/15, set out the following approach to the assessment of whether the addition of additional components is likely to alter the form of the registered mark to a material extent.

“28. ...a finding of distinctive character in the registered mark calls for an assessment of the distinctive or dominant character of the components added, on the basis of the intrinsic qualities of each of those components, as well as on the relative position of the different components within the arrangement of the trade mark (see judgment of 10 June 2010, *ATLAS TRANSPORT*, T-482/08, not published, EU:T:2010:229, paragraph 31 and the case-law cited; judgments of 5 December 2013, *Maestro de Oliva*, T-4/12, not published, EU:T:2013:628, paragraph 24, and 12 March 2014, *Borrajo Canelo v OHIM — Tecnoazúcar (PALMA MULATA)*, T-381/12, not published, EU:T:2014:119, paragraph 30).

29 For the purposes of that finding, account must be taken of the intrinsic qualities and, in particular, the greater or lesser degree of distinctive character of the [registered] mark used solely as part of a complex trade mark or jointly with another mark. The weaker the distinctive character, the easier it will be to alter it by adding a component that is itself distinctive, and the more the mark will lose its ability to be perceived as an indication of the origin of the good. The reverse is also true (judgment of 24 September 2015, *Klement v OHIM — Bullerjan (Form of an oven)*, T-317/14, not published, EU:T:2015:689, paragraph 33).

30 It has also been held that where a mark is constituted or composed of a number of elements and one or more of them is not distinctive, the alteration

of those elements or their omission is not such as to alter the distinctive character of that trade mark as a whole (judgment of 21 January 2015, *Sabores de Navarra v OHIM — Frutas Solano (KIT, EL SABOR DE NAVARRA)*, T-46/13, not published, EU:T:2015:39, paragraph 37 and the case-law cited).

31 It must also be remembered that, in order for the second subparagraph of Article 15(1)(a) of Regulation No 207/2009 to apply, the additions to the registered mark must not alter the distinctive character of the mark in the form in which it was registered, in particular because of their ancillary position in the sign and their weak distinctive character (judgment of 21 June 2012, *Fruit of the Loom v OHIM — Blueshore Management (FRUIT)*, T-514/10, not published, EU:T:2012:316, paragraph 38).”

26) These findings indicate that the relative distinctiveness of the registered mark and the components added to (or omitted from) it in use are relevant factors to take into account in the required assessment.

27) In *Menelaus BV v EUIPO*, Case T-361/13, the General Court found that use of the marks shown on the left and middle below constituted use of the registered mark on the right.



28) The court held that the word VIGAR was the dominant and distinctive element of all the marks. As regards the other features, the court held that:

“73 [The first sign] sign differs from the earlier mark as registered only in the ascending orientation of its oval background, the use of standard lower-case instead of standard capital letters and the replacement of the crown element by a sequence of three dots. As the Board of Appeal rightly found, a different

orientation of the same background, the use of upper-case or lower-case letters when they are standard letters which reproduce the same term, or the substitution of an ornamental element (the sequence of dots) for a laudatory element when both of those elements serve to reinforce the term 'vigar', are minor differences that do not alter the distinctive character of the earlier Community trade mark as it was registered.

74 That finding is not called into question if the second form of use, reproduced in paragraph 63 above, is taken into account inasmuch as, even though, in that case, the basic background disappears and the word 'spain' is present, the latter will be understood as a merely descriptive addition."

29) The applicant submitted, in its written submissions, that the evidence fails to show any use by the opponent of the mark THE W and this was conceded by Mr Alkin at the hearing, but he submitted that use of its various stylised marks qualified as acceptable variant use.

30) He submitted that the fact that the word "the" did not appear in these marks does not impact upon the distinctive character because it is merely the non-distinctive definite article and therefore these marks qualify as acceptable variant uses of the opponent's earlier mark THE W for the purposes of assessing genuine use.

31) Firstly, when considering the three marks used by the opponent, I note that the words LONDON. LEICESTER SQUARE and HOTELS all serve a descriptive and non-distinctive role. Further the circular line border present in one of the marks is also non-distinctive. Therefore, I have little hesitation in concluding that the dominant and distinctive element of all three marks is the letter "W". Consequently, the "W" element qualifies as a mark used as part of a composite mark in the way envisaged in *Colloseum*.

32) When considering the registered mark, the definite article "THE" is, itself, non-distinctive and the letter "W" is the dominant and distinctive element of the mark. Whilst a single letter may not be of a particularly high level of distinctive character, in

respect of the services covered, I have no reason to find that it has anything other than an average level.

33) Keeping all of this in mind together with the case law guidance, I find that the letter “W” is the dominant element of all these marks and that the addition of all the additional elements present in the various marks does not detract from this. The differences between the marks used and the mark registered do not alter the distinctive character of the mark “W”. Therefore, I conclude that the marks used by the opponent are acceptable variants of its THE W mark.

Fair specification

34) It is also necessary that I consider whether the opponent has used its mark in respect of all of the services covered by its earlier registration, namely, *services of providing food and drink; temporary accommodation*, and if I find in the negative, what would be a fair specification to reflect the genuine use shown.

35) In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

36) In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation (that applies equally to assessment of genuine use) as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the

specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

37) The evidence demonstrates that the opponent operates a hotel in London and therefore, in that context it provides both *temporary accommodation* and *provision of food and drink*. However, both these services are very broad and include many services that would not normally be provided by a hotel. With this in mind, together with the above guidance, I find that these terms are too broad and that appropriate sub-categories are: *hotel services for providing food and drink* and *temporary hotel accommodation*.

Summary of findings regarding genuine use

38) The opponent can rely upon its earlier UKTM 2510840 in respect of the following services:

Hotel services for providing food and drink; temporary hotel accommodation.

39) Reliance upon other earlier marks subject to proof of use do not improve on the opponent's case.

Section 5(2)(b)

40) In light of my findings regarding genuine use, for the purposes of section 5(2)(b), the opponent may only rely upon its earlier EUTM 8932386, EUTM 10019611 and EUTM 11635562, all in respect of the same mark, namely, THE W. In addition, it may rely upon UKTM 2510840 insofar of the list of services reproduced in paragraph 38, above. For the purposes of my considerations, it is not necessary to refer to each of these individually and for procedural economy I will undertake a single analysis, keeping in mind that, collectively, these four earlier marks cover the following consolidated list of goods and services:

Class 32: *Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.*

Class 34: *Tobacco; smokers' articles; matches.*

Class 35: *Business management; business administration; office functions; gift and sundries retail services located in hotels.*

Class 38: *Telecommunications.*

Class 39: *Transportation of passengers and goods by aeroplane, Transportation of passengers and goods by car, Transportation of passengers and goods by train, Transportation of passengers and goods by bus and transportation of passengers and goods by boat; agency services for arranging travel; services for the arranging of excursions for tourists and for the arranging of tours.*

Class 41: *Providing entertainment facilities (excluding amusement arcade services); club services (entertainment or education); providing karaoke services; discotheque services; night club.*

Class 43: *Hotel services for providing food and drink; temporary hotel accommodation.*

41) 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”.

Comparison of goods and services

42) In the judgment of the CJEU in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, 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”.

43) 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.

44) In *Gerard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, the GC stated that:

"29. 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 fur 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”.

45) I also keep in mind *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch). Floyd J. (as he then was) stated that:

“...Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

46) At the hearing Mr Alkin relied upon a helpful table annexed to his skeleton argument where he set out the opponent's arguments regarding the similarity of the applicant's goods and services to those of the opponent. Whilst this table assumed that the opponent had demonstrated proof of use of its older earlier marks, I will keep in mind that not all services relied upon have survived my analysis of proof of use.

Class 16

47) None of the goods relied upon by the opponent have survived the proof of use analysis and, as a consequence, Mr Alkin's submissions regarding similarity to such goods falls away.

48) Mr Alkin also provided two fall-back positions. Firstly, he submitted that the applicant's *printed matter promoting whisky and spirits and the whisky and spirit trade* are similar to the opponent's *bar services*. Such services are not explicitly listed in any of its earlier marks (but are covered by the term *hotel services of providing food and drink*). When comparing such goods and services, it is obvious that they differ in nature, purpose, methods of use and are not in competition nor

complementary in the sense expressed by the GC in *Boston Scientific*²³. Therefore, any similarity will exist only because of an overlap in trade channels. I conclude that this would result in no more than a low level of similarity.

49) Secondly, he relied upon the opponent's *club services (entertainment or education)* as being similar to the applicant's goods. I disagree. The high point of this submission is that a club may sell spirits, however, this is sufficient to create similarity. The nature, purpose and methods of use of *club services* and *printed matter* are self-evidently very different. There is nothing before me to suggest that the provider of club services will also trade in printed matter promoting whiskey and spirits. Therefore, I find that the trade channels are different. The respective goods and services are not in competition and neither are they "indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking" and are not complementary in the sense expressed in *Boston Scientific*. I find that these goods and services are not similar.

Class 33

50) Mr Alkin relied upon the opponent's Class 32 goods, submitting that they are similar because they are sold through the same trade channels and because they are complementary. I reject the claim that they are complementary for the same reasons set out when considering the applicant's Class 16 goods, namely, the respective goods are not indispensable or important for the use of the other.

51) The applicant's *alcoholic beverages (except beers)* covers a wide range of alcoholic drinks, which would include both short drinks high in alcohol, such as spirits, and longer drinks with a lower alcohol content, such as cider and perry. Since this and the opponent's *beer* all include alcohol, there is a degree of similarity in nature. The intended purpose of both is a pleasurable drinking experience, which may include the intoxicating effects of alcohol. The users and method of use are identical. The goods are likely to share channels of trade and in retail premises may

²³ *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

be located not only in the same aisle but also on the same shelf. The goods may be in competition. Therefore, the applicant's *alcoholic beverages (except beers)* are similar to the opponent's *beer* to a medium degree.

Class 35

52) Applying the guidance provided in *Meric*, I agree with Mr Alkin's submission that the applicant's *business management; business administration; administration of loyalty programmes involving discounts or incentives; administration of a discount programme for enabling participants to obtain discounts on goods and services through use of a discount membership card* are all self-evidently identical to the opponent's broad terms *business management; business administration*.

53) In respect of the applicant's *advertising and compilation of advertisements for use as web pages on the Internet*, Mr Alkin submitted that such services are similar to the opponent's *business management; business administration* because the relevant public may believe that they have the same professional origin on the basis that advertising plays an important role in business management. I do not agree. Such an approach requires a very broad and unnatural interpretation of what will normally be understood by the opponent's terms and is not consistent with the approach outlined in *YouView*. When comparing the respective services, the providers of advertising services and the services of business management/administration are likely to be different, the purpose of the services is different, one being promotion, the other being management/administration. Further, they are not in competition nor are they complementary in the *Boston Scientific* sense. I find that the respective services are not similar.

54) Next, I consider similarity of the following of the applicant's services to those of the opponent:

retail services in relation to liquor, by subscription; ... retail services, mail order retail services and electronic retail services for alcohol, whisky and whisky based beverages, glassware, tableware, samples of whisky and whisky based beverages and other spirits with tasting notes and educational

information, tasting cards, pipettes, souvenir photographs, clothing, scarves, bags, umbrellas, wallets, purses, jewellery and clothing accessories, publications; ... compilation and transaction of data; auctioning services; auctioning of spirits; ...

55) Mr Alkin submitted that all these services are similar to the opponent's *gift and sundries retail services located in hotels*. All the goods mentioned in the connection with the applicant's retail services could be covered by the term "gift and sundries" and, therefore, the respective retail services can be in relation to identical goods. They differ in that the opponent's retail services are limited to being "located in hotels" and the applicant's retail services limited to either "by subscription", "mail order", "electronic retail" or to "auctioning". As result of these differences they cannot be considered identical, but they share nature, purpose and they are in competition with each other and I conclude there is a good deal of similarity.

56) Mr Alkin submitted that *arranging subscriptions to whisky clubs and compilation and transaction of data* are identical to the opponent's *business management; business administration*. I agree. The applicant's services are an administrative function covered by the opponent's broad term and when applying the *Meric* guidance, I find the respective services are identical.

57) Mr Alkin submitted that the applicant's *customer club services for commercial, promotional and/or advertising purposes* are identical to the opponent's *club services (entertainment or education)*. I do not agree. The applicant's services fall under Class 35 identifying them as a business-type service whereas the opponent's services are proper to Class 41 and related to entertainment or education. However, they are likely to share trade channels and there is likely to be an expectation by the average consumer that the same type of trader would provide both parties' services. Therefore, despite the respective services being different in nature, purpose and use, they will share a medium level of similarity.

58) Mr Alkin did not rely upon any goods or services covered by the opponent's earlier marks when considering the applicant's *arranging and organising of trade fairs*. His arguments were based solely on goodwill. I will return to this as necessary

when I consider the grounds based on section 5(4)(a). For the purposes of the current ground I find that these services are not similar to any of the opponent's services.

59) In respect of the applicant's *provision of information and advice to the prospective purchasers of spirits*, Mr Alkin submitted that these services are identical to the opponent's *services for providing food and drink*. I keep in mind that such information and advice is in Class 35 and as such is in the form of business information and advice. This is different to the kind of information and advice provided by, for example a hotel bar to customers to assist their purchasing choice. The applicant's services are likely to be provided as part of a business to business transaction rather than as part of a bar service. The respective services are different in purpose, trade channels are not in competition nor complementary. I conclude if there is any similarity, it is only low.

60) Finally, in respect of the applicant's *information, advisory and consultancy services in relation to all of the aforementioned services* I find that there is similarity only in respect of where "the aforementioned services" mentioned in the term refers to services where I found that they are identical or share a medium or good deal of similarity with the opponent's services, namely:

- In respect of the applicant's *information, advisory and consultancy services in relation to all the aforementioned services* [namely: *business management, business administration, administration of loyalty programmes involving discounts or incentives, administration of a discount programme for enabling participants to obtain discounts on goods and services through use of a discount membership card, retail services in relation to liquor, by subscription, arranging subscriptions to whisky clubs, retail services, mail order retail services and electronic retail services for alcohol, whisky and whisky based beverages, glassware, tableware, samples of whisky and whisky based beverages and other spirits with tasting notes and educational information, tasting cards, pipettes, souvenir photographs, clothing, scarves, bags, umbrellas, wallets, purses, jewellery and clothing accessories, publications; customer club services for commercial, promotional and/or advertising purposes, compilation and transaction of data, auctioning*

services, auctioning of spirits], I conclude that there is a good deal of similarity with some of the opponent's services.

- In respect of the applicant's *information, advisory and consultancy services in relation to all the aforementioned services* [namely: *advertising, compilation of advertisements for use as web pages on the Internet and arranging and organising of trade fairs*], I conclude there is little or no similarity to any of the opponent's goods or services.

Class 41

61) Mr Alkin submitted that *entertainment* is identical to the opponent's *providing entertainment facilities (excluding amusement arcade services); club services (entertainment or education)*. I agree that the opponent's *club services (entertainment ...)* overlaps with the applicant's broad term and, applying the *Meric* guidance, the respective services are identical.

62) Mr Alkin submitted that *education; whisky club services (entertainment and education); ... entertainment relating to whisky tastings; ... organisation of whisky tastings; whisky-tasting events; whisky appreciation courses; ...party planning services* are all identical or very similar to the opponent's *club services (entertainment or education)*. I agree. Once again, when applying the *Meric* guidance, they are identical.

63) In respect of the applicant's *cultural and sporting activities*, Mr Alkin did not identify any similar services listed in the specifications of the earlier marks. Rather he relied solely on the claimed goodwill and I will return to this later in my decision. Consequently, for the purposes of section 5(2)(b), I find there is no similarity.

64) Mr Alkin submitted that the applicant's *providing of training* falls within the opponent's *business management/administration and office functions* and they are, therefore, identical. An ordinary interpretation of the opponent's terms would not be that they include training. This is reinforced by the scope of the respective classes of the parties' services. The opponent's services belong to Class 35 that is intended to

cover mainly business services whereas the applicant's training belongs to Class 41 that covers training and education more broadly. With this in mind, the respective services cannot be identical. Their intended purpose and methods of use are different and neither is it obvious to me that they would share trade channels, nor that they are complementary. They are not in competition. Therefore, I conclude that if they share any similarity, it is only very low.

65) In respect of the applicant's *organisation of conferences, exhibitions, shows, workshops and seminars*, Mr Alkin submitted that such services are identical to the opponent's *club services (entertainment or education)*. I agree. The organisation of such events may be provided by a club and therefore provided as a club service.

66) Mr Alkin submitted that *publishing services* are complementary to the opponent's Class 16 goods where the opponent has failed to demonstrate genuine use. Therefore, I conclude there is no similarity.

67) Mr Alkin submitted that the applicant's *publishing of printed matter relating to whisky and other alcoholic beverages* are identical or very similar and are complementary to the opponent's *retail services relating to drinks*. The only retail services that were not subject to the opponent's failed attempt to prove genuine use were *gift and sundries retail services located in hotels*. This does not diminish Mr Alkin's arguments because the retail of the drinks will overlap with the retail of gifts which can include drinks. That said, I do not agree with Mr Alkin's submission. Publishing is a distinct service normally provided by specialist publishers. Certainly, there is nothing before me to demonstrate that retailers may also carry out a trade in publishing. Elsewhere in his submissions, Mr Alkin relied on printed matter in the form of publicity material for the opponent's core services, submitting that this was a trade in printed matter. I rejected this and, therefore, insofar that he relied upon a similar and analogous argument here, I reject it. Retail and publishing services do not share trade channels, have different customers, are not in competition and neither are they complementary in the *Boston Scientific* sense. I conclude that there is no similarity.

68) Mr Alkin relied upon the same retail services and the same submissions in respect of the applicant's *preparation and production of radio, television and video broadcasts relating to whisky and other alcoholic beverages*. I reject this for the same reasons explained in the previous paragraph. I find there is no similarity.

69) In respect of the applicant's *providing on-line electronic publications; publication of electronic books and journals on-line*, Mr Alkin relied upon various Class 16 goods that have not survived the proof of use analysis and, therefore, I conclude that the opponent has failed to demonstrate similarity with any of its qualifying goods or services.

70) Finally, in respect of the applicant's *information, advisory and consultancy services in relation to all of the aforementioned services* I find that there is similarity, in respect of the information and advisory services only, where "the aforementioned services" mentioned in the term refers to services where I found that they are identical or share a good deal of similarity with the opponent's goods and services. On a normal reading of "consultancy services", they will be understood as describing the services of "a professional practice that gives expert advice within a particular field"²⁴. It is not clear to me that such a professional practice and a provider of services that such consultancy services relate will overlap and I conclude that the respective trade channels are different. Further, they differ in nature, purpose and method of use and they are not in competition nor are they complementary. I conclude that they do not share any similarity. Consequently, I find that:

- In respect of the applicant's *information and advisory services in relation to all the aforementioned services* [namely: *entertainment, education; whisky club services (entertainment and education); entertainment relating to whisky tastings; organisation of whisky tastings; whisky-tasting events; whisky appreciation courses; party planning, organisation of conferences, exhibitions, shows, workshops and seminars*], I conclude that there is a good deal of similarity with some of the opponent's services.

²⁴ <https://www.lexico.com/en/definition/consultancy>

- In respect of the applicant's:
 - *information and advisory services in relation to all the aforementioned services [namely: cultural and sporting activities, preparation and production of radio, television and video broadcasts relating to whisky and other alcoholic beverages, providing of training, publishing services, publishing of printed matter relating to whisky and other alcoholic beverages, providing on-line electronic publications; publication of electronic books and journals on-line], and:*
 - *consultancy services in relation to all the aforementioned services;*

I conclude there is little or no similarity to any of the opponent's goods or services.

Class 43

71) Mr Alkin's submitted that the applicant's *services for providing food and drink, whisky bar services, catering services; bar services; restaurant services; cafe and cafeteria services; snack-bar services; fast-food restaurant services* are identical to the opponent's *services for providing food and drink*. Whilst the opponent's term has been limited to *Hotel services for providing food and drink* as a result of my proof of use conclusions, this has no impact in respect of the comparison with the first seven of these eight terms. All seven terms describe food and drink services that can be provided by a hotel and, subsequently, applying the guidance in *MERIC*, I agree with Mr Alkin that these are identical to the opponent's services. However, I do not agree that fast-food restaurant services are commonly provided by hotels and, consequently these are not covered by the opponent's services. Their trade channels are likely to be different but they are very similar in nature, intended purpose and methods of use and they may also be competition. I conclude that they share a high level of similarity.

72) In respect of the applicant's *club services for providing food and drink; whisky club services (providing food and drink)*, Mr Alkin also submitted that these are

identical to the opponent's *services for providing food and drink*. In light of the opponent's services being limited to being provided in hotels, they are no longer identical. However, they nevertheless still share a high level of similarity for analogous reasons as described in the previous paragraph.

73) Mr Alkin submitted that the applicant's *consultancy services relating to the purchase of whisky* are identical to the opponent's *services for providing food and drink* because the opponent's services include providing such consultancy. I do not agree for the same reasons as set out in paragraph 70, above. It is not clear to me that such a professional practice and a provider of food and drink will overlap and I conclude that the respective trade channels are different. Further, they differ in nature, purpose and method of use and they are not in competition nor are they complementary. I conclude that they do not share any similarity.

74) Mr Alkin made the same submission regarding the applicant's *providing information and exchange of information in relation to whisky and spirits*. It would not be unexpected if a hotel bar provided information in relation to whisky and spirits, especially in circumstances where it was running a specific promotion. Consequently, there may be overlap of trade channels and a level of complementarity that will result in a medium level of similarity. It is not obvious to me that *Hotel services for providing food and drink* will also include *exchange of information in relation to whisky and spirits* but will nonetheless share some similarity with providing information about the same as part of these services so there may possibly be some similarity of nature and purpose. However, I would put such similarity at no more than at a low level.

75) In respect of the applicant's *temporary accommodation*, it is self-evident that this includes *temporary hotel accommodation* and that the respective terms include identical services.

76) Finally, in respect of the applicant's *information, advisory and consultancy services in relation to all of the aforementioned services*, as I have discussed in respect of other classes, there is similarity insofar as the information and advisory services relate to services elsewhere in the specification where I have found to be

similar to a medium level or higher. In respect of the remaining services covered by the term I find that they share no similarity with the opponent's services. Therefore, in summary, I find:

- *information and advisory services in relation to all of the aforementioned services [namely services for providing food and drink, club services for providing food and drink, whisky club services (providing food and drink); whisky bar services, providing information in relation to whisky and spirits, catering services, bar services, restaurant services, cafe and cafeteria services, snack-bar services, fast-food restaurant services, temporary accommodation] shares a good deal of similarity;*
- In respect of the following:
 - *Information and, advisory services in relation to all of the aforementioned services [namely consultancy services relating to the purchase of whisky, exchange of information in relation to whisky and spirits]*
 - *consultancy services in relation to all of the aforementioned services*

I find there is no similarity.

Comparison of marks

77) It is clear from *Sabel BV v. Puma AG*, Case C-251/95 (particularly paragraph 23), Case C-251/95, 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 (“the CJEU”) 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.”

78) 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.

79) The respective marks are:

Opponent's mark	Applicant's mark
THE W	THE W CLUB

80) The opponent's earlier mark consists of the word THE and the letter W. I keep in mind that in the context of the opponent's case regarding an acceptable variant use of its marks for the purposes of demonstrating genuine use, Mr Alkin submitted that the word THE is non-distinctive. I agree. Consequently, the "W" element must be considered to be both dominant and distinctive. The applicant's mark consists of the three elements "THE", "W" and "CLUB". Here the word THE also plays an insignificant role because the remaining elements form a unit that retains the same meaning either with or without the word THE appearing before it. In both cases the letter and word "W CLUB" will retain the meaning of a club designated "W". I conclude that the dominant and distinctive part of the mark is the combination of the letter and word W CLUB.

81) The marks of both parties share the elements THE and W. They differ in that the applicant's mark contains the additional third element CLUB. Taking this into account, I conclude the marks share at least a medium level of visual similarity.

82) Aurally, the respective marks share the same three syllables THEE-DOUBLE-U and differ in that the applicant's mark contains the additional fourth syllable CLUB. Taking this into account, I conclude that aural similarity is also at least at a medium level.

83) Conceptually, there is some difference between the marks because the applicant's mark presents as the name of a club whereas the opponent's mark merely identifies the letter "W" as the noun. Superficially, this points to conceptual difference between the marks, however, all of the opponent's services could be provided by a club, whether commercial, private or informal, within a hotel or otherwise and in this context, the mark THE W may be seen as an indication of that club and, therefore, its concept becomes aligned with that of the applicant's mark, i.e. a club called "The W". Taking all of this into account, I conclude that the marks share a medium or higher level of conceptual similarity.

Average consumer and the purchasing act

84) 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*.

85) 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."

86) The relevant average consumer of the respective goods and services will vary. In respect of services such as business management, administration of loyalty programmes etc, these are services likely to be provided to other businesses, whereas goods such as magazines and leaflets etc may be targeted at ordinary members of the public. Others may include both other businesses and the general public such as alcoholic beverages that may be sold to both the public and to bar and retail businesses.

87) In respect of the level of care and attention paid during the purchasing act, this may also vary from services/goods to services/goods and may be no more than average in respect to, for example, buying a magazine to reasonably high in respect of, for example, organisation of conferences. In all cases, visual impressions are likely to be important but I do not ignore that aural considerations may play a part in the purchasing process where the consumer may aurally request goods or services.

Distinctive character of the earlier trade marks

88) 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).”

89) The opponent’s mark consists of the word and letter THE W. This combination of the definite article and a single letter is not endowed with a particularly high level of inherent distinctive character and I would put it somewhere between low and medium.

90) The evidence illustrates that the opponent is operating a single hotel in the UK. The UK hotel is situated in Leicester Square in London, a prime and extremely well known and popular location. These are factors that will assist in elevating the recognition of its name in addition to the promotion of the hotel and the level of business it has attracted. The hotel opened in 2011 and the evidence illustrates that it has achieved exposure in the press and in magazines. There have been nearly 200,000 guests at the hotel between that time and the relevant date in these proceedings (11 November 2016) and the hotel’s turnover in the same period has been in excess of US\$ 140 million. Taking all of this together, I have little hesitation in finding that, even though it is only a single hotel at one location, the opponent’s mark has achieved a certain level of enhanced distinctive character in respect of *hotel services for providing food and drink; temporary hotel accommodation*. However, when factoring in the limitation of having only a single location, I find that such enhanced distinctive character is moderate in nature.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion

91) The following principles are obtained from the decisions of the CJEU 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:

(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.

92) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). These factors must be assessed from the viewpoint of the average consumer. Confusion can be direct (which occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and goods down to the responsible undertakings being the same or related).

93) Where the opponent has failed to establish that the respective goods or services share any similarity, its opposition under section 5(2)(b) must fail because it was established in *Waterford Wedgwood*²⁵ and *eSure Insurance*²⁶ that some similarity must be present for a finding of likelihood of confusion. Therefore, this ground fails in respect of the following of the applicant's goods and services:

Class 16: *Printed matter; printed publications; magazines; newsletters; leaflets; pamphlets; books; printed matter promoting whisky and spirits and*

²⁵ *Waterford Wedgwood plc v OHIM* – C-398/07 P

²⁶ *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, para. 49

the whisky and spirit trade; charts; guides for whisky and spirit appreciation; printed instructional and teaching materials, course books, reference and text books and manuals; photographs; stationery; artists' materials.

Class 35: *Advertising; ... provision of information and advice to the prospective purchasers of spirits; ... compilation of advertisements for use as web pages on the Internet; ... arranging and organising of trade fairs; information, advisory and consultancy services in relation to all of the aforementioned services.*

Class 41: *...; cultural and sporting activities; ... publishing services; publishing of printed matter relating to whisky and other alcoholic beverages; preparation and production of radio, television and video broadcasts relating to whisky and other alcoholic beverages; providing on-line electronic publications; publication of electronic books and journals on-line; information, advisory and consultancy services in relation to all of the aforementioned services.*

Class 43: *...; consultancy services relating to the purchase of whisky; whisky bar services; ... exchange of information in relation to whisky and spirits; information and advisory ... services in relation to all of the aforementioned services; consultancy services in relation to all of the aforementioned services and to services for providing food and drink, club services for providing food and drink, whisky club services (providing food and drink), whisky bar services, providing information in relation to whisky and spirits, catering services, bar services, restaurant services, cafe and cafeteria services, snack-bar services, fast-food restaurant services and temporary accommodation*

94) I have also found that:

- In respect of the majority of the remaining of the applicant's goods and services, they are either identical or share a medium or good deal level of similarity. The only exception is that I have found the if the applicant's

providing of training in Class 41 shares any similarity to the opponent's services than it is only very low.

- The dominant and distinctive element of the applicant's mark is the "W CLUB" elements and in respect of the opponent's mark, it is the letter "W";
- The respective marks share at least a medium level of visual and aural similarity and a medium or higher level of conceptual similarity;
- The average consumer will vary and range from other businesses to ordinary members of the public. The degree of care and attention paid during the purchasing act will also vary and will range between being no more than average to reasonably high. The purchasing process is likely to be visual, but I recognised that aural considerations may play a part;
- The opponent's mark has a low to medium level of inherent distinctive character and that this is enhanced to a moderate level because of the use made of it.

95) Taking account of all of the above, I find that the similarity between the respective marks when considered in circumstances where goods and services of a medium or good level of similarity or higher are involved, there is a likelihood of direct confusion. If the consumer notices the differences between the marks, I find that there will still be a likelihood of indirect confusion where the consumer is still likely to believe that the goods or services provided under the respective marks originates from the same or linked undertaking. This is because the consumer, upon encountering the mark THE W is likely to believe that it is a shortened reference to THE W CLUB. The reverse is also likely to be true, where the consumer, upon encountering THE W CLUB is likely to believe that it is a brand extension of THE W. This finding applies equally to situations where the purchasing act is aural as well as when it is visual in nature.

96) Therefore, in summary, the opposition based upon section 5(2)(b) succeeds in respect of the following of the applicant's goods and services:

Class 33: *Alcoholic beverages (except beers)* similar to a medium degree;

Class 35: *business management; business administration; administration of loyalty programmes involving discounts or incentives; administration of a discount programme for enabling participants to obtain discounts on goods and services through use of a discount membership card; retail services in relation to liquor, by subscription; arranging subscriptions to whisky clubs; retail services, mail order retail services and electronic retail services for alcohol, whisky and whisky based beverages, glassware, tableware, samples of whisky and whisky based beverages and other spirits with tasting notes and educational information, tasting cards, pipettes, souvenir photographs, clothing, scarves, bags, umbrellas, wallets, purses, jewellery and clothing accessories, publications; customer club services for commercial, promotional and/or advertising purposes; ... compilation and transaction of data; ... auctioning services; auctioning of spirits; information, advisory and consultancy services in relation to all of the aforementioned services.*

Class 41: *Entertainment; ... education; whisky club services (entertainment and education); ... entertainment relating to whisky tastings; organisation of whisky tastings; whisky-tasting events; whisky appreciation courses; organisation of conferences, exhibitions, shows, workshops and seminars; party planning services; ... information, advisory and consultancy services in relation to all of the aforementioned services.*

Class 43: *Services for providing food and drink; club services for providing food and drink; whisky club services (providing food and drink); whisky bar services; providing information ... in relation to whisky and spirits; catering services; bar services; restaurant services; cafe and cafeteria services; snack-bar services; fast-food restaurant services; temporary accommodation; information and advisory ... services in relation to all of the aforementioned services.*

97) The section 5(2)(b) ground fails in respect of all other of the applicant's goods and services.

Section 5(3)

98) Section 5(3) states:

“(3) A trade mark which –

- (a) is identical with or similar to an earlier trade mark,
- (b) (repealed)

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 (EU) 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.”

99) 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, *Adidas-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*).

Reputation

100) In *General Motors*, Case C-375/97, the CJEU held that:

“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.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

101) The relevant date for assessing if the opponent has a necessary reputation is the filing date of the contested application, namely, 2 August 2016. I begin by

considering the question of the opponent's claimed reputation. For the purposes of this ground, the registrations relied upon by the opponent are all in respect of the identical mark "THE W". I have found that there has been genuine use and that there is an enhanced distinctive character in respect of *Hotel services for providing food and drink; temporary hotel accommodation*. The level of use (190,000 guests and a turnover in excess of US\$140 million in a little over 5 years prior to the relevant date), its location for high profile events such as the NME Awards and the level of press coverage in both national and London-centric press all point to the opponent's marks having the requisite reputation extending to the same services for which it demonstrated genuine use.

102) The evidence also indicates that the opponent also has similarly branded hotels around the EU, namely, in Barcelona, Paris and Amsterdam²⁷. In the period August 2011 to 11 November 2016, the turnover at these hotels has been in excess of US\$ 394,000, US\$ 87,000 and US\$ 34,100 respectively²⁸. I accept that some of this trade is from UK consumers who can book direct on the opponent's website or via third party providers. However, any impact this may have had on reputation from the perspective of the UK consumer (that is the relevant portion of the reputation that is relevant here) is not likely to be materially different to that generated by the UK hotel alone.

Link

103) In *Intra-Press SAS v OHIM*, joined cases C-581/13P & C-582/13P, the CJEU stated (at paragraph 72 of its judgment) that:

"The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the

²⁷ Mr Donat's witness statement, paras. 8 -11

²⁸ Ditto, paras. 8 & 9

relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in *Ferrero v OHMI*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited).”

104) Therefore, the level of similarity between the respective marks may be less than required under section 5(2)(b) of the Act. However, the relevant section of the public must still make a connection between the marks. 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
- 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
- The strength of the earlier mark’s reputation
- The degree of the earlier mark’s distinctive character, whether inherent or acquired through use

105) I have already concluded earlier that the respective marks share at least a medium level of visual and aural similarity and a medium to high level of conceptual similarity.

106) In paragraphs 71 to 76, I have identified that the applicant’s services share similarity to the opponent’s Class 43 services, as follows:

- *services for providing food and drink, whisky bar services, catering services; bar services; restaurant services; cafe and cafeteria services; snack-bar services* are identical;
- *fast-food restaurant services; club services for providing food and drink; whisky club services (providing food and drink)* share a high level of similarity;
- *providing information ... in relation to whisky and spirits* shares a medium level of similarity;
- *exchange of information in relation to whisky and spirits*, shares no more than a low level of similarity;
- *temporary accommodation* is identical services;
- *information and advisory services in relation to all of the aforementioned services [namely services for providing food and drink, club services for providing food and drink, whisky club services (providing food and drink); whisky bar services, providing information in relation to whisky and spirits, catering services, bar services, restaurant services, cafe and cafeteria services, snack-bar services, fast-food restaurant services, temporary accommodation]* shares a good deal of similarity

and that there is no similarity in respect of the following services:

- *consultancy services relating to the purchase of whisky;*
- *Information and, advisory services in relation to all of the aforementioned services [namely consultancy services relating to the purchase of whisky, exchange of information in relation to whisky and spirits]*
- *consultancy services in relation to all of the aforementioned services*

107) I have also found that the opponent's mark enjoys a low to medium level of distinctive character that has been moderately enhanced through its use in respect of its single UK hotel. It also has the requisite reputation.

108) Taking all of this into account, I have little hesitation in concluding that the requisite link is made between the applicant's and opponent's marks in circumstances where the respective services share a medium/good level of similarity

or higher. Whilst I acknowledge that similarity of services is not a prerequisite for finding that a link exists, it is nevertheless a factor that I have kept in mind, but I conclude that the reputation of the opponent's mark is not sufficient for the link to exist beyond the services I have identified here.

109) The opponent relies upon the following three pleadings:

(i) Unfair advantage

110) 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*, Case C-323/09).

111) The opponent claims that use of the applicant's mark would benefit from the opponent's investment in advertising and promotion of its mark and, as a result, it is likely to gain sales, goodwill and enhanced status as a result. When keeping in mind the level of similarity between the respective marks and the similarity/overlap with the following Class 43 services, I found a likelihood of confusion, namely:

Services for providing food and drink; club services for providing food and drink; whisky club services (providing food and drink); whisky bar services; providing information ... in relation to whisky and spirits; catering services; bar services; restaurant services; cafe and cafeteria services; snack-bar services; fast-food restaurant services; temporary accommodation; information and advisory ... services in relation to all of the aforementioned services

I conclude that use of the applicant's mark in respect of these services would also result in it taking unfair advantage of the opponent's mark without any due cause.

112) In respect of the applicant's *alcoholic beverages (except beers)* in class 33 these require consideration with the opponent's *hotel services for providing food and drink*. In *Group Lottuss Corp., SL v OHIM*, Case T-161/07, the GC held there to be a low degree of similarity between beer and cocktail bars on account of the complementarity, target audience and overlapping points of sale. Hotel cocktail bars are covered by the opponent's Class 43 services. Such a finding can apply equally to *alcoholic beverages (except beers)* in class 33 goods. Therefore, these goods are similar to a medium degree to the opponent's *hotel services for providing food and drink* in class 43. With this in mind, I conclude that unfair advantage is also likely to be taken.

113) In respect of the other of the applicant's goods/services where the opponent's section 5(2)(b) grounds were successful, these were considered similar or identical to goods/services where the opponent has not demonstrated the requisite reputation.

114) In summary, I find that this limb of the opponent's ground succeeds against the following list of goods and services:

Class 33: *Alcoholic beverages (except beers)*

Class 43: *Services for providing food and drink; club services for providing food and drink; whisky club services (providing food and drink); whisky bar services; providing information ... in relation to whisky and spirits; catering services; bar services; restaurant services; cafe and cafeteria services; snack-bar services; fast-food restaurant services; temporary accommodation; information and advisory ... services in relation to all of the aforementioned services.*

(ii) Detriment to reputation

115) The opponent also claims that use of the applicant's mark will result in detriment to its mark's distinctive character and reputation where the applicant's services were not of the same high quality. There is no evidence that the applicant's goods and services are not of the same quality as the opponent's goods and services and the mere potential to create a negative association is insufficient to find in favour of the opponent (see *Unite The Union v The Unite Group Plc*, Case BL O/219/13, paragraph 46). Therefore, this element of the opponent's claim fails.

(iii) Detriment to distinctive character

116) For the reasons given at paragraphs 101 to 108 above, I find that at the relevant date, use of the applicant's mark in relation to the goods and services identified in paragraph 114, above, would have caused a link to have been made in the minds of the consumer of the opponent's *hotel services for providing food and drink*. As a consequence of this link, the opponent's consumers are likely to believe that the user of applicant's mark is an economically connected undertaking. This would be detrimental to the distinctive character of the earlier marks because it would no longer distinguish only the opponent's goods and services. The use of the applicant's mark in respect of the goods and services identified at paragraph 114 is, therefore, liable to affect the economic behaviour of consumers of the opponent's goods and services and will result in detriment to the distinctive character.

Summary of findings regarding the grounds based upon section 5(3)

117) I find that the opponent's case based upon section 5(3) is successful in respect of the list of the applicant's goods and services at paragraph 114 and does not improve upon its case based upon section 5(2)(b):

Section 5(4)(a)

118) Section 5(4)(a) relies upon the existence of goodwill 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.”

119) 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."

120) Further guidance is given in paragraphs 184 to 188 of the same volume with regard to the establishing of a 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.”

The relevant date

121) The relevant date for assessing if section 5(4)(a) applies has been discussed by Mr Daniel Alexander QC sitting as the Appointed Person in *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11. A summary of the position provided by Allan James, for the Registrar, in *SWORDERS TM O-212-06* was quoted with approval and I reproduce it below:

“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.”

122) The relevant date for the purposes of these proceedings is the filing date of the contested application, namely 2 August 2016, in the absence of any evidence substantiating a competing goodwill in the UK, I must find that there is no such

goodwill. As a consequence of this, the filing date of the application is the only relevant date for assessing the issue of passing off in these proceedings.

Goodwill

123) A long-standing definition of goodwill is provided in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL):

“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.”

124) There must be goodwill before there can be misrepresentation leading to damage. I have little hesitation in concluding that the opponent has an established business with customers in the UK because of the presence of its “W” hotel in a very popular location in London. However, the question I must address is whether the mark relied upon has also become distinctive of the opponent’s existing goodwill in its business by the relevant date.

125) I have already found that in respect of the earlier marks relied upon for the purposes of section 5(2)(b) and section 5(3), insofar as they were subject to proof of use, there has been genuine use in respect of various services. This was as a result of use of marks that qualified as acceptable variant marks of the opponent’s registered earlier marks.

126) Whilst there is no evidence that the opponent uses its mark THE W, there is evidence that third parties refer to the opponent’s hotel business in London in the UK as “the W” or “The W”. As I have commented elsewhere, this is the natural way to refer to a particular hotel; at the hearing Mr Alkin demonstrated the point by making reference to “the Hilton”. I accept that hotels as referred to as if a location (e.g. “the Marriott”, “the Ibis”). With this in mind, I acknowledge that it is common for hotel brands to be referred to with the addition of the definite article and, therefore, for the

opponent's hotel to be referred to as "the W" as demonstrated by the numerous third party references where this occurs.

127) The opponent claims goodwill in respect of the following list of services:

Hotel services; services for providing food and drink; entertainment services; provisions of venues for cultural, business or entertainment events; concierge services; retail services in relation to clothing, books cards, gifts, food, drinks, pampering services; meeting room services; business centre services; stationery, books; holding of parties; bar services; gym and fitness services; designer wardrobe services; concierge services, booking services; arrangement of travel; arrangement of bookings for food and drink; cinema services; spa, steam and sauna services; club services; night club services; provisions of wifi.

128) Taking account of my earlier findings regarding the scope of the reputation of the opponent's mark and with a total of about 190,000 guests in the UK, it is consistent with such a finding that the opponent itself has goodwill in respect of the same services, namely the operation of a hotel in London's Leicester Square since 2011. In light of this, I have little hesitation in concluding that the opponent has goodwill respect of the following slightly limited range of the following services claimed: *hotel services, hotel services for providing food and drink, hotel bar services* and that this is attached to the opponent's sign "THE W".

129) In addition, it is normal for hotel services to include *concierge services*. Further I note from various exhibited invoices²⁹ and descriptions of the hotel of third party booking sites such as Booking.com³⁰ that the opponent's hotel provides *spa, steam and sauna services, fitness and gym facilities and night club services*. Elsewhere in the evidence, there are third party references³¹ to a number of events held at the hotel demonstrating that it provides *venues for cultural, business and entertainment events*. I find that the opponent's goodwill also extends all these services.

130) The remaining services for which goodwill is claimed are more peripheral to the opponent's core hotel services and it is less clear whether the opponent's goodwill extends to these, but if not, the opponent's case will not be materially damaged.

²⁹ Exhibit MD3

³⁰ Exhibit MD5

³¹Exhibit MD11 and MD12 for example

131) In summary, the opponent's goodwill extends at least to the following services:

Hotel services, hotel services for providing food and drink, hotel bar services, concierge services, spa, steam and sauna services, fitness and gym facilities, night club services, venues for cultural, business and entertainment events; all being provided from a hotel

Misrepresentation and Damage

132) In *Neutrogena Corporation and Another v Golden Limited and Another*, 1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148 . The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175 ; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

And later in the same judgment:

“.... for my part, I think that references, in this context, to “more than *de minimis* ” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993) . It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper

emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

133) I recognise that the test for misrepresentation is different to that for likelihood of confusion, namely, that misrepresentation requires “a substantial number of members of the public are deceived” rather than whether the “average consumer are confused”. However, as recognised by Lewison L.J. in *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, it is doubtful whether the difference between the legal tests will produce different outcomes. However, in the current case, I also recognise that the services for which goodwill has been demonstrated are broader than the class 43 services for which the opponent could rely upon for the purposes of section 5(2)(b). Having considered the applicant’s goods and services that survived the grounds based upon section 5(2)(b), as set out in paragraph 93 above, I find that the only greater success is in respect of the applicant’s *cultural activities* in Class 41. Use of the applicant’s marks in respect of these services is likely to result in misrepresentation, leading to damage, of the opponent’s goodwill in its venues *for cultural events*.

134) Finally, whilst I recognise that for the purposes of section 5(4)(a) there is no requirement for the parties to be in the same field of activity, I find that the opponent’s goodwill focused upon its activities as a hotel operator is insufficient to result in misrepresentation occurring in circumstances where the applicant’s goods and services are in a different field. Consequently, the opponent’s section 5(4)(a) grounds does not have broader success over and above that set out in the above paragraph.

Summary

135) The opposition succeeds in respect of the following list of services:

Class 33: *Alcoholic beverages (except beers)*

Class 35: *business management; business administration; administration of loyalty programmes involving discounts or incentives; administration of a*

discount programme for enabling participants to obtain discounts on goods and services through use of a discount membership card; retail services in relation to liquor, by subscription; arranging subscriptions to whisky clubs; retail services, mail order retail services and electronic retail services for alcohol, whisky and whisky based beverages, glassware, tableware, samples of whisky and whisky based beverages and other spirits with tasting notes and educational information, tasting cards, pipettes, souvenir photographs, clothing, scarves, bags, umbrellas, wallets, purses, jewellery and clothing accessories, publications; customer club services for commercial, promotional and/or advertising purposes; ... compilation and transaction of data; ... auctioning services; auctioning of spirits; information, advisory and consultancy services in relation to all of the aforementioned services.

Class 41: *Entertainment; cultural... activities; education; whisky club services (entertainment and education); ... entertainment relating to whisky tastings; organisation of whisky tastings; whisky-tasting events; whisky appreciation courses; organisation of conferences, exhibitions, shows, workshops and seminars; party planning services; ... information, advisory and consultancy services in relation to all of the aforementioned services.*

Class 43: *Services for providing food and drink; club services for providing food and drink; whisky club services (providing food and drink); whisky bar services; providing information ... in relation to whisky and spirits; catering services; bar services; restaurant services; cafe and cafeteria services; snack-bar services; fast-food restaurant services; temporary accommodation; information and advisory ... services in relation to all of the aforementioned services.*

136) The opposition fails in respect of the remaining goods and services. Subject to any appeal, the application can proceed to registration in respect of the following list of goods and services:

Class 16: *Printed matter; printed publications; magazines; newsletters; leaflets; pamphlets; books; printed matter promoting whisky and spirits and*

the whisky and spirit trade; charts; guides for whisky and spirit appreciation; printed instructional and teaching materials, course books, reference and text books and manuals; photographs; stationery; artists' materials.

Class 35: *Advertising; ... provision of information and advice to the prospective purchasers of spirits; ... compilation of advertisements for use as web pages on the Internet; ... arranging and organising of trade fairs; information, advisory and consultancy services in relation to all of the aforementioned services.*

Class 41: *...; ... sporting activities; ... publishing services; publishing of printed matter relating to whisky and other alcoholic beverages; preparation and production of radio, television and video broadcasts relating to whisky and other alcoholic beverages; providing on-line electronic publications; publication of electronic books and journals on-line; information, advisory and consultancy services in relation to all of the aforementioned services.*

Class 43: *...; consultancy services relating to the purchase of whisky; whisky bar services; ... exchange of information in relation to whisky and spirits; information and advisory ... services in relation to all of the aforementioned services; consultancy services in relation to all of the aforementioned services and to services for providing food and drink, club services for providing food and drink, whisky club services (providing food and drink), whisky bar services, providing information in relation to whisky and spirits, catering services, bar services, restaurant services, cafe and cafeteria services, snack-bar services, fast-food restaurant services and temporary accommodation*

Costs

137) As both sides have achieved a measure of success, I direct that each party should bear its own costs of the proceedings.

Dated 26 July 2019

**Mark Bryant
For the Registrar
The Comptroller-General**