

O-471-14

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK REGISTRATION 2637926 IN THE NAME
OF OPEN COLLEGE NETWORK WEST MIDLANDS REGION IN RESPECT OF
THE MARK**

OCNWMR

IN CLASSES 16, 41 & 42

**AND AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO. 500151 BY NATIONAL OPEN COLLEGE NETWORK**

BACKGROUND

1) Open College Network West Midlands Region (“the proprietor”) is the proprietor of the mark OCNWMR (“the registration”). It applied for the registration on 11 October 2012 and the registration procedure was completed on 18 January 2013. The registration is in respect of the following goods and services:


Class 16: *Printed Matter.*

Class 41: *Education; Provision of Training.*

Class 42: *Accreditation services; certification services.*

2) On 11 September 2013, National Open College Network (“the applicant”) applied for the registration to be declared invalid in respect of all of the goods and services.

3) The first ground of invalidation is that the applicant is the proprietor of ten marks all of which are earlier marks within the meaning defined in Section 6 of the Trade Marks Act 1994 (“the Act”). Nine of these marks (I will refer to them, collectively, as “the regional marks”) are identical insofar that they consist of the same “crescent” device, the same letters “OCN” and, in smaller typeface, the name of a geographical region in the UK. The word and letter elements are presented in each mark in the identical shade of blue, but the colour of the crescent device varies from mark to mark. However, this difference in colour will not vary the likelihood of confusion to any material effect. The same goods and services are relied upon in each of these nine earlier marks and none are subject to the proof of use provisions set out in Section 47(2A) of the Act. Therefore, it is sufficient that I detail only one of these. Of these, the applicant’s best case lies with its registration 257894. Somewhat ironically, this is a mark that the applicant has permitted the proprietor to use. In addition, the applicant relies upon one further earlier mark, being the letters OCN in plain typeface. This mark is subject to the proof of use requirements. In addition to relying upon the same goods and services in classes 16 and 41 as with the other nine earlier marks, the applicant also relies upon its services in Class 42. The relevant details of both marks are shown below:

Relevant details	Goods and services relied upon
<p>2317870</p> <p>OCN</p> <p>Filing date: 6 December 2002</p> <p>Date of entry in register: 27 June 2003</p>	<p>Class 16: ..., <i>printed matter</i>, ...</p> <p>Class 41: <i>Education; providing of training;</i></p> <p>Class 42: <i>Accreditation of education and training; certification of education and training.</i></p>
<p>2578794</p>  <p>Filing date: 15 April 2011</p> <p>Date of entry in register: 12 August 2011</p>	<p>Class 16: ..., <i>printed matter</i>, ...</p> <p>Class 41: <i>Education; providing of training;</i></p>

4) The applicant claims that given the similarity between its registrations and the proprietor's registration, and because of the identity or similarity of the goods and services, the registrations were registered contrary to section 5(2)(b) of the Act and should be invalidated under Section 47(2) of the Act.

5) The applicant also claims that the registrations offend under Section 5(3) of the Act because it has used its OCN word mark since 1987 throughout the UK for the provision of education and education qualifications. It claims that the applicant is one of the largest awarding organisations in the UK, providing 300 accredited qualifications and with over 2,500 centres using its qualifications. It has therefore built up a reputation in the UK in respect of its mark OCN. It claims that use of the proprietors mark would take unfair advantage of the applicant's mark and is likely to lead the consumer to believe an economic connection between the parties.

6) Finally, the applicant also claims that the registration offends under Section 60(3)(a) of the Act. However, this ground was dropped at the hearing and I need say no more about it.

7) The proprietor subsequently filed a counterstatement denying the applicant's claims and putting it to proof of use in respect to earlier mark 2317870 OCN.

8) Both sides filed evidence and ask for an award of costs. The proceedings came to be heard before me on 11 September 2014 when the applicant was represented by Ms Lindsey Lane of Counsel, instructed by Virtuoso Legal and the proprietor was represented by Mr Jonathan Moss of Counsel, instructed by Eversheds LLP.

EVIDENCE

9) Both sides filed evidence, however, much of both sides' evidence goes to the historical backdrop to both organisations and to the grounds based upon Section 60. As this ground was dropped at the hearing, there is no need for me to detail evidence that goes to this ground. I will restrict my summary of the evidence to that which is relevant to the opponent's claim to proof of use of its "OCN" word mark and to the issue of reputation.

10) The applicant's evidence consists of two witness statements by its managing director, Graham Hasting-Evans. The following pages from Exhibit GHE1 to Mr Hasting-Evans's first witness statement were specifically referred to by Ms Lane at the hearing:

- At Pages 267, 269, 270 are shown a number of pages from the "NOCN Qualification Prospectus 2010-2011". The "Welcome page" includes the statement "We work in partnership and through licensing arrangements with Open College Networks (OCNs) ...";
- At Page 269 is a further page from the same prospectus and is entitled "Guide to the regions" and it includes the following (some of which is repeated on Page 270):

NOCN and OCNs

NOCN works in partnership with Open College Networks (OCNs) in each of the English regions and in Northern Ireland. NOCN licences OCNs to offer nationally accredited NOCN qualifications.

NOCN qualifications can also be accessed in Wales through Agored Cymru. NOCN also has qualifications which can be used in Scotland.

As well as offering qualifications that are already accredited, OCNs, working in partnership with providers in their regions, will often identify where there is a need for new qualifications and work in partnership with NOCN to translate an initial idea into a new, nationally accredited qualification.

OCNs are locally managed, not-for-profit partnerships committed to providing a flexible and responsive local accreditation service for a wide range of learning activities.

What do OCNs provide?

- The award and certification of NQF and QCF qualifications
- Quality assurance for learning programmes
- External moderation and verification of learning and achievement
- Award of certificates to learners detailing their achievements
- Advice and support on curriculum
- Support from experienced staff through the accreditation process
- Access to good practice and a database of approved units
- Access to staff development and networking activities
- Support for a network of organisations that collaborate on making education more accessible

- Page 275 is a copy of a leaflet apparently targeted at students and variously states “NOCN and its partnership network of OCNs”; “NOCN works in partnership and through licensing arrangements with Open College Networks (OCNs)” and “There are more than 2500 centres nationally offering NOCN qualifications and/or OCN accredited provision”.
- Despite being undated, Mr Hasting-Evans claims that the exhibit at Page 276 must be from 2012 or later because it refers to the applicant as having 25 years experience. It consists of a page entitled “Your Radically Different Awarding Body” and under the heading “How to find out more” states “Further information is available from your regional OCN. For contact details please see the NOCN [website address and telephone number provided]”.
- Pages 278/279 is a copy of a June 2012 Newsletter that states “In September we will be celebrating 30 years of the NOCN network with its regional base of approved OCNs ... Find out your local UK OCNs at [website address]”.
- Page 323 to 326 is a leaflet carrying the OCN Eastern Region mark of the applicant. It refers on a number of occasions to “OCN Eastern Region”. At the hearing, Ms Lane submitted that such use was with the applicant’s consent.

11) The applicant’s evidence consists of over 400 pages of exhibits and the above examples are typical of the type of use shown in many of the other pages.

12) In addition, at pages one to five is a copy of an online leaflet entitled “What we do – Training Qualifications – NOCN”, where on its second page it states “...NOCN qualifications offer a step-by-step, unit-by-unit route into learning and skills...” Under the heading of “Accreditation of Training” on page five of the same exhibit it describes an NOCN approved programme in the following terms:

“Accreditation is the formal recognition of an individual’s achievements and is linked to an internal or external standard.

...

As a training provider and/or employer you need to ensure that whatever you invest in training, both in terms of time and money, gives you and your learners the maximum return on your investment. NOCN approval provides assurance that your training is approved to a nationally recognised standard.”

13) I also note that a number of sample certificates are provided at pages 335 to 337. One is a blank example, the second was awarded on 22 July 2009 in respect of a “NOCN Internal Verifiers Award”. It states that it was awarded by “Open College Network North Western Region”. The following two marks appear prominently on the certificate:



and



14) At pages 46 and 47 of the exhibit is part of a PowerPoint presentation made to “OCN Directors” on 26 January 2005. It records that it was agreed at the previous Director’s meeting that the applicant would manage “the new brand” from 1 February 2005 and there is an indication that the costs of this rebranding was covered by the applicant. “Brand Identity Guidelines” are reproduced at pages 59 to 95.

15) At pages 96 to 143 is a copy of a “Collaboration Agreement” between the applicant and the proprietor dated 16 December 2011 and a “Deed of Variation” in respect of that agreement dated 28 March 2013. Throughout both documents, the applicant is referred to as “NOCN” and the proprietor as “OCNWMR”. The first document describes NOCN as “an awarding organization ... to award qualifications and units of qualifications in England. ...” and states:

“This agreement is an arrangement for the OCNWMR to undertake, on NOCN’s behalf, the development, delivery or award ... of NOCN Qualifications”:

16) Section 13 of the agreement, entitled “Intellectual Property Rights”, states:

“All Intellectual Property Rights ... shall be and remain the exclusive property of NOCN”.

17) The Deed of Variation relates to the proprietor formally terminating the arrangement between the parties at the end of 2013.

18) At page 144, Mr Hastings-Evans provides a copy of a letter between the applicant and the proprietor, dated 3 December 2013 about an incidence of the proprietor being paid in error instead of the applicant for work undertaken for a third party.

19) Page 146 of the exhibit is an extract, dated 20 December 2013, of the Register of Registered Qualifications. The proprietor is identified as “OCNWMR (Open College Network West Midlands Region)”

DECISION

The legislation

20) I begin with Section 5(2)(b) of the Act, with such grounds being relevant in invalidation proceedings in view of the provisions of Section 47(2) of the Act. The relevant parts of Section 47 of the Act read as follows:

“47. - (1) ...

(2) The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

...

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

21) Section 5(2)(b) reads:

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

(a) ...

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

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

22) An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6.-(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

23) Also of relevance in these proceedings are the provisions that relate to proof of use. Section 47(2A) to Section 47(2F) details the circumstances where these provisions apply:

“(2A)* But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless -

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if -

(a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Community. (2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

** Note: Sub-sections 2A to 2E are an addition to the original Act, by virtue of the Trade Marks (Proof of Use, etc.) Regulations 2004 (SI 2004/946)*

which came into force 5th May 2004.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)”

24) Consideration has to be taken, also, of section 100 of the Act which states:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

Consequent upon section 100, the onus is upon the applicant to prove that it has made use of its mark or that there are proper reasons for non-use.

DECISION

Proof of Use

25) Only earlier mark 2317870 OCN is subject to the proof of use requirements because it completed its registration procedures on 27 June 2003, being more than five years before the application for invalidation was made. The applicant has been put to proof of use in respect of all the goods and services it relies upon.

26) In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch), Arnold J commented on the case law of the Court of Justice of the European Union (“the CJEU”) in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

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

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the

goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]"

27) Taking account of this guidance from the courts it is clear that genuine use does not need to be quantitatively significant and that, when asking if the use is genuine, it is necessary to assess all surrounding circumstances.

28) The challenge to the proprietor's registration was filed on 11 September 2013, consequently the five year period when the applicant is required to demonstrate use is between 12 September 2008 and 11 September 2013.

Printed Matter

29) Firstly, I shall consider if use has been shown in respect of the applicant's Class 16 goods, namely: *printed matter*. There is no corroborative evidence provided by the applicant in these proceedings, but at the hearing Ms Lane sought to rely upon the findings of the hearing officer in his decision BL O-114-14, where the applicant's OCN mark was attacked for non use by a third party. There, the hearing officer found there was use in respect of *books relating to education and training*. This earlier decision has been put in the applicant's evidence in this case and Ms Lane contended that this is sufficient for me to make the same finding as the hearing officer in the earlier case. Mr Moss countered by submitting that it would be wrong for me to do so because the evidence relied upon in those earlier proceedings is not in the applicant's evidence here. As a result of this, the proprietor is unable to challenge the evidence, either by submitting reply evidence, or by a challenge by way of appeal. He further drew my attention to the fact that the relevant periods in which use must be shown were different and did not even overlap with the period in the current proceedings. I am with Mr Moss on this point. The fact that the earlier decision is exhibited in the applicant's evidence does not have the effect of drawing all or any of the evidence referred to in that decision into this current

case. To do so would, as Mr Moss points out, place the proprietor in the unfair position of being unable to challenge said evidence. Further, the previous decision is not binding upon me, and I must determine the matter on the evidence before me.

30) There is nothing in the evidence to illustrate that the mark has been used in respect of *printed matter*, consequently, the applicant has failed to demonstrate use in respect of such goods.

Education; providing of training

31) The applicant is primarily a provider of accreditation and certification services related to training and education, working with partners in further education and industry. There is also some evidence to suggest that the regional organisations provide training for assessors, internal verifiers and quality assurance managers who deliver the applicant's accreditation and certification services (see page 324 of Mr Hasting-Evans' exhibit consisting of a copy of a leaflet bearing the Eastern Region trade mark and is headed "Who could be better placed to deliver your staff development training than your Awarding Organisation?" This is sufficient to demonstrate that training has been provided on behalf of the applicant. However providing of training is a very broad term, and having regard for the guidance of Mr Justice Arnold (as he now is) in his judgments as The Appointed Person in *Nirvana Trade Mark BL O-262-06* and *Extreme Trade Mark BL O-161-07* where he comprehensively examined the case law in this area, I find it appropriate to limit this term to *providing of training relating to the field of educational accreditation and certification*.

32) There is no evidence that the applicant, or the regional organisations on its behalf, provide broader education services, as distinct from accreditation and certification of the same. Therefore, I find no basis for the applicant retaining the very broad term *education*.

Accreditation of education and training; certification of education and training.

33) Mr Hasting-Evans explains (at paragraph 5 of his witness statement) that the applicant was formed in 1987 as a "learning credit-based awarding organization which creates and develops qualifications" and (at paragraph 20) is "now recognized as an Awarding Organisation ...with around 2,500 centres throughout the UK" offering its qualifications or accredited provision. Further, the proprietor's own Mr Wilson, at paragraph 9 of his witness statement, acknowledges that the applicant is a Qualifications and Credit Framework Awarding Organisation. Such activities are also referred to regularly elsewhere in the evidence.

34) In light of the above, I am satisfied that the applicant's core business is the accreditation and certification in the field of education and the evidence illustrates this and the proprietor appears to accept this. Further, the terms, as listed in the

applicant's registration, appear to reflect the normal way in which such services are likely to be referred and reflect a fair specification for such services.

Use of the mark as registered

35) Having identified the areas of business activity of the applicant, it is necessary that I consider whether such activity has been conducted under the mark in question, namely OCN. There are a number of preliminary issues that I must decide. These are:

- Mr Moss submitted that use of the letters "OCN" by the applicant is descriptive use because it is used for no other reason than to refer to the regional bodies;
- Further and additionally, Mr Moss pointed out that the regional open college networks were in existence before the applicant was formed and he questioned whether the applicant had the consent of these regional organizations to use the letters OCN.

36) On the first point, I accept that the letters "OCN" are used as an abbreviation of the words "Open College Network", however, this does not prevent the letters from performing the primary function of indicating trade origin. The OCNs are a collection of organizations delivering the applicant's services and as such, the letters identify the trade outlets of the applicant as distinct from other providers in the same field. Consequently, it is my view that the letters "OCN" are endowed with a meaning beyond a mere description. Further, even if I had not made such a finding, Section 72 of the Act states that the registration of a mark is *prima facie* evidence of its validity. Consequently, it is not open to me to make a finding that the mark is descriptive.

37) In respect of the second point, Mr Moss criticised Mr Hasting-Evans' statements that, in 2002, the regional organisations agreed to the applicant registering the "OCN" mark. Mr Moss claims that this must be regarded as hearsay because Mr Hasting-Evans was not working for the applicant at that time. This is not an issue relevant to the issue before me. I am required to consider what factual use of the mark OCN has been made by the applicant, or with its consent. The registration is in the applicant's name and not the name of the regional organisations or a regional organisation. Consequently, consent from the regional organisations is not required.

38) Having decided these two preliminary points, I go on to consider how the applicant has used the mark OCN. In this respect, the evidence shows use of the OCN mark alone where the applicant makes reference to the regional organisations. Examples are referred to in paragraph 10 above, but there are many similar references in the evidence. It is my view that this demonstrates use of the mark OCN in respect of the services identified earlier. However, if I am

wrong and the applicant's references to the mark "OCN" do not constitute genuine use, I shall also consider whether use of the regional marks constitutes use of its OCN mark.

39) It is established case law that, to qualify as genuine, use of a mark must be in the form registered or in a form which does not alter the distinctive character of the mark in the form in which it is registered. The leading English authority on the issue is the Court of Appeal decision in *Budejovicky Budvar Narodni Podnik v Anheuser-Busch Inc (BUD)* [2003] RPC 25. This court of appeal decision provides me with some guidance on how to approach this issue:

".....The first part of the necessary inquiry is, what are the points of difference between the mark as used and the mark as registered? Once those differences have been identified, the second part of the inquiry is, do they alter the distinctive character of the mark as registered?"

40) The same issue has been considered by both the General Court ("the GC") and the CJEU. These cases have been reviewed by Richard Arnold QC, sitting as Appointed Person, in *NIRVANA Trade Mark* (BL O-262-06) and *REMUS Trade Mark* (BL O-061-08). He summarised his review in *NIRVANA* (and reiterated it in *REMUS*) in the following way:

"33. The first question 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 the 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..."

41) More recently, the CJEU commented specifically on the issue of use of one mark with, or as part of, another mark in *Colloseum Holdings AG v Levi Strauss & Co. ("Colloseum")*, Case C-12/12. It's comments were made in the context of genuine use in the provisions in the Community Trade Mark Regulations that are analogous to the provisions in the Act. In particular, it commented:

"32., as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the 'use' of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

...

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)".

42) The evidence demonstrates that the regional logo marks are used by the regional organisations with the applicant's consent, or at least implied consent. This is evidenced by it issuing branding guidelines to the regional organisations. Further, there is evidence that the directors of the regional organisations agreed that the applicant would manage "the new brand" from 1 February 2005 and with the collaboration agreement between the parties, dated 16 December 2011, stating that "All Intellectual Property Rights ... shall be and remain the exclusive property of NOCN" (see paragraphs 13 to 15 above). Therefore, I conclude that the use of the regional marks by the regional organisations to be use with the applicant's consent.

43) The question to address is whether the appearance of the letters OCN in the regional marks is considered as genuine use of the "OCN" mark. At the hearing, Mr Moss submitted that this was not use because of the presence of the regional description and device element. It is clear from the guidance in *Colloseum* that this is not the test and that genuine use of a mark can encompass use as part of another mark. Ms Lane urged me to follow the findings of the hearing officer in BL O-114-14 where he decided the same point in favour of the applicant. Whilst I am not bound by the findings of a fellow hearing officer, I do concur with his findings on this point. I would add that this is because of the presence of the letters "OCN" in the regional marks has such an impact as to be perceived as an indication of origin of the services.

Summary of findings regarding proof of use

44) I have found that the applicant has demonstrated genuine use in respect of the following services:

Class 41: *providing of training relating to the field of educational accreditation and certification.*

Class 42: *Accreditation of education and training; certification of education and training.*

45) The significance of this finding is that the applicant may rely upon its earlier OCN mark in respect of the services identified above, but not in respect of *printed matter* or the broad term *education*.

Section 5(2)(b)

46) The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

47) In assessing the similarity of goods and services, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective goods and services should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23:

‘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.’

48) Other factors may also be taken into account such as, for example, the distribution channels of the goods concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

49) I also bear in mind the following guidance of the GC in *Gérard Meric v OHIM (MERIC)*, T-133/05:

“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 the trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM – Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 Oberhauser v OHIM – Petit Liberto (Fifties) [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 Vedral v OHIM – France Distribution (HUBERT) [2002] ECR II-5275, paragraphs 43 and 44; and Case T- 10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42).”

50) Finally, the meaning of “complementary”, one of the factors identified in *Canon* was discussed by the GC in *Boston Scientific Ltd v OHIM* - T-325/06, where it stated:

“82 It is true that goods are complementary if there is a close connection between them, in the sense that one is 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 (see, to that effect, Case T-169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P Rossi v OHIM [2006] ECR I-7057; Case T-364/05 Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL) [2007] ECR II-757, paragraph 94; and Case T-443/05 El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños) [2007] ECR I-0000, paragraph 48).”

Printed matter

51) I begin by considering the applicant’s case based upon its 2317870 OCN mark, where I have already found that the applicant has not made use of it in respect of *printed matter*. Therefore, I must consider the level of similarity between *printed matter* and the applicant’s Class 41 and/or Class 42 services. In this respect, *printed matter* includes such goods as educational, training and instructional material and these share the same purpose as the services, namely to educate the consumer of such goods and services. Undertakings which offer training often produce supporting printed materials. Consequently, the provider of both the service and the goods may be the same and the trade channels are the same. Printed matter with the purpose of supporting education and training will be complementary to the services in the sense that the services are important for the use of the goods.

52) Set against these similarities is the fact that, fundamentally, goods and services are different in their nature. However, this is insufficient to offset a reasonable level of similarity between these goods and services.

53) When comparing the proprietor’s goods to those of the applicant’s earlier mark 2578794 OCN West Midland Region (and device), the same term appears in both and are therefore, self evidently, identical.

Education; Provision of Training

54) In respect of the applicant’s earlier mark 2317870 OCN, the specification has been limited to *providing of training relating to the field of educational accreditation and certification*. This term is covered by both terms in the proprietor’s specification and applying the guidance in *MERIC*, they cover identical services.

55) The terms in the proprietor's Class 41 specifications also appear in the same class listed in the applicant's earlier mark 2578794 OCN West Midland Region (and device). Therefore, the respective services are identical.

Accreditation services; certification services.

56) In respect of the proprietor's Class 42 services, it is self evident that such services include *accreditation of education and training; certification of education and training* as covered by the Class 42 specification of the applicant's earlier mark 2317870 OCN. Consequently, when applying the guidance in *MERIC*, the respective services are identical.

57) The applicant's earlier mark 2578794 OCN West Midland Region (and device) does not include services in Class 42, nevertheless, there is a reasonably high level of similarity with its Class 41 services. As Ms Lane submitted, there would be an expectation for the same organisation to supply both education and training as well as accreditation and certification of the same. Such services could take the form of certifying or accrediting students or trainees after they complete their course or training. Consequently there is also complementarity between the respective services which, when all the facts are considered, creates a reasonable degree of similarity.

The average consumer and the nature of the purchasing act

58) As matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23) it is important that I assess who the average consumer is for the goods and services at issue. Firstly, in respect of *printed matter*, I have found similarity only in respect of printed matter for educational purposes. The nature of the purchasing act of such goods will be undertaken with reasonable care, rather than on impulse (that may apply to some other types of printed matter). Purchases will generally be visual in nature, with the printed matter being selected from a shelf or by reference to a printed or online catalogue or similar.

59) In respect of *education and provision of training*, such services have a broad base of consumers. Ms Lane submitted that there is a higher degree of attention involved in the purchasing act. I agree. Education and training services are normally sought out by the consumer to fulfil a particular knowledge or skills gap and therefore, it is normal to pay enhanced attention. However, this will not be of the highest level of attention. Once again, purchases will be predominantly visual in nature, but I do not ignore that aural aspects may play a part where bookings or enrolment is undertaken over the telephone for example.

60) In respect of *accreditation services* and *certification services*, it is also likely that attention during the purchasing act is higher. This is for similar reasons as

for *education* and *provision of training*, where the consumer will seek out education or training that will lead to a particular recognised qualification. Further, these terms also include such services provided in a business to business environment where one party is contracted by the other to provide tailored accreditation or certification in respect of, for example, its training or education courses.

Comparison of marks

61) The applicant's best case lies with its OCN word mark. However, this was subject to proof of use, and if I am found to be wrong in my findings in that respect, I will also consider the similarity between the proprietor's mark and one of the applicant's regional marks that I identified earlier, namely its OCN West Midlands Region (and device) mark. Therefore, it is necessary that I undertake two mark comparisons.

62) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

63) It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

64) The first comparison is in respect of the following two marks:

Applicant's mark	Proprietor's marks
OCN	OCNWMR

65) Ms Lane submitted that the proprietor's mark OCNWMR would naturally be split into OCN and WMR because the “OCN” element is dominant being at the

beginning of the mark and it is common to split long strings of letters in the way a telephone number may be split, namely, into groups of three. Whilst I accept that the beginning of a mark may be more dominant than later elements, it does not follow that the consumer will automatically see a split between the “OCN” and “WMR” elements of the mark. In fact, with the proprietor’s mark consisting of six letters that do not even hint at being a word, they will be perceived as what they are – a string of six letters. The mark’s distinctive character will reside in the whole mark rather than any one or more constituent parts.


66) Similar considerations apply to the applicant’s mark. It consists of three letters that are not a word nor bring a word to mind. They will be perceived as three letters and the distinctive character of the mark resides in the combination of these letters.

67) Considering the visual comparison of the marks, Mr Moss submitted that the proprietor’s mark is twice the length of the applicant’s mark and consists of an acronym where all letters are equal. This is true, but I also observe that the first three letters are identical to the three letters of the applicant’s mark. I conclude there is a low to moderate degree of similarity.

68) Aurally, because both marks will be viewed as acronyms and do not equate to, nor are they similar to any words, they will both be expressed by reference to the individual letters. Therefore, the applicant’s mark will be expressed as “oh-see-en” whereas the proprietor’s mark will be expressed as “oh-see-en-double-u-em-are”. The proprietors mark consists of seven syllables to the applicants three. The first three of these are identical. Taking all of this into account, I conclude that the respective marks share a low to moderate level of aural similarity.

69) Conceptually, Ms Lane submitted that there is similarity because “OCN” will be understood as meaning “Open College Network”. To reach such a conclusion, I would need to factor in any reputation, however, I am mindful of the guidance in *Lan Airlines, SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-194/09* that states that reputation is not relevant to the issue of similarity of marks. Having regard for this, both marks will be perceived as no more than a string of three and six letters respectively. Neither have a meaning and are neither conceptually similar or dissimilar.

70) The second comparison is in respect of the following marks:

Applicant's mark	Proprietor's marks
	<p data-bbox="954 373 1105 405">OCNWMR</p>

71) As I noted at paragraph 65, the proprietor's mark consists of a single string of six letters and is not readily divided into separate components. Therefore, its distinctiveness lies with its entirety. The proprietor's mark, on the other hand, does readily divide into distinct elements. The first of these is the three letters "OCN", the second is the crescent device and the third is the words "West Midlands Region". Both the letters "OCN" and the crescent device are distinctive, but by virtue of its size and position at the front of the mark, it is the letters "OCN" that are the dominant of these two elements. The words "West Midlands Region" is an obvious geographical reference with minimal distinctive character. Consequently, they have a very weak relative weight when considering the mark as a whole. The OCN element has greater relative weight than the other elements

72) Visually, the similarity between the marks arises because the letters "OCN" appear in both. In all other respects the marks are different. Nevertheless, the size and position of the letters "OCN" in the applicant's mark retains a visual impact within the applicant's mark and creates similarity, albeit reasonably low.

73) Aurally, the applicant's mark is likely to be expressed as "oh-see-en". As Mr Moss submitted, no effort will be made to give aural expression to the crescent device. The words "West Midlands Region" may be expressed in some circumstances, particularly where it is necessary to make a distinction between this region and another. Once again, the marks share a reasonably low level of aural similarity.

74) Conceptually, the analysis differs to that conducted in respect of the word marks because of the addition of the words "West Midlands Region" in the applicant's mark. This will be perceived as indicating a geographical area. There is no evidence before me that the letters "WMR" that appear in the proprietor's mark are a known abbreviation for "West Midlands Region". Therefore, the presence of a region's name introduces a conceptual element, albeit a descriptive one, absent in the applicant's mark. There is no conceptual similarity.

Distinctive character of the earlier marks

75) I must consider the distinctive character of the earlier marks because the more distinctive they are, either by inherent nature or by use, the greater the likelihood of confusion (*Sabel BV v Puma AG* [1998] RPC 199). The distinctive character of the earlier marks must be assessed by reference to the goods and services for which they are registered and by reference to the way they are perceived by the relevant public (*Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91).

76) The applicant's word mark has no obvious meaning and does not form a recognisable word. Consequently, the average consumer will perceive the mark as a string of three letters. Such a letter combination is endowed with an average level of distinctive character, not the highest or the lowest.

77) In terms of enhanced distinctive character, Ms Lane submitted that it has been enhanced through use, as illustrated by 400,000 certificates being issued a year and because there are 2500 centres across the UK offering the applicant's accredited qualifications. Further the evidence illustrates that use has been made since at least 2005. I accept that the inference is that the mark's distinctive character has been enhanced through use.

78) The applicant's word and device mark consists of the invented acronym "OCN", the crescent device and the descriptive words "West Midlands Region". The addition of the device and the orientation of the separate elements in respect to each other create an additional visual impact that results in a level of inherent distinctive character that is higher than that in respect of the word only mark. I would put this level at reasonably high. However, this is not pertinent because the aspects that give higher distinctiveness do not coincide with the proprietor's mark. Whilst the mark has been used in respect of one regional organisation (the "proprietor" in these proceedings and I have found that this use was with the consent of the applicant) it is not known what proportion of activity can be attributed to this organisation. Therefore, I am unable to conclude that its distinctive character has been enhanced through use.

Likelihood of confusion

79) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27).

80) Ms Lane claimed that there is a family of OCN marks in the name of the applicant. In *Miguel Torres SA v OHIM -T-287/06*, the GC commented as follows on this issue:

“81 ...the existence of a family of earlier marks can be pleaded only if both of two conditions are satisfied. First, the earlier marks forming part of the ‘family’ or ‘series’ must be present on the market. Secondly, the trade mark applied for must not only be similar to the marks belonging to the series, but also display characteristics capable of associating it with the series. That might not be the case, for example, where the element common to the earlier serial marks is used in the trade mark applied for either in a different position from that in which it usually appears in the marks belonging to the series or with a different semantic content...”

81) I recognise that the applicant’s regional OCN marks are on the market but in different regions around the country. Whilst it may be inferred from this that each mark will be known by a discreet group of regional consumers that may not necessarily be exposed to the applicant’s other regional marks. However, the evidence illustrates that the regional network of organisations is prominently referred to and jointly promoted, at least on the applicant’s website and the evidence includes a number of publications aimed at the average consumer of adult training and education where the applicant’s website address is provided as a source of information about the regional organisations. Further, the very similar visual impression created by its various regional marks and also the fact that the construction of these regional marks, with the regions name appearing therein, assists the consumer to see any one mark representing one of a series of linked regional organisations. Therefore, I conclude that the consumer will see the applicant’s various regional marks including the West Midlands Region mark as one of a family of marks.

82) Next I must consider if the proprietor’s mark displays characteristics capable of associating it with the family of marks. The letters OCN appear at the start of its mark, but all other characteristics of the applicant’s regional marks are absent. The result of this is that the OCN element appears in the proprietor’s mark in a different position to that in the applicant’s regional marks. Further it has different semantic content because of the presence of the letters WMR in the mark. This content does not follow the pattern in the applicant’s regional marks, which all include the full name of the region. As a consequence of all of this, the “family of marks” argument fails.

83) Ms Lane also submitted that there are actual instances of confusion. I dismiss the significance of this because these appeared to arise because of confusion between the applicant, known as NOCN and the proprietor, known as OCN West Midlands Region. Therefore, such confusion was not in respect of the marks being compared here and is not relevant here.

84) Nevertheless, I must still consider all other factors involved in the “global analysis” that I am required to undertake. In respect of the likelihood of confusion between the applicant’s earlier OCN word mark and the proprietor’s mark, I have found that:

- neither mark can be readily divided into dominant and distinctive elements;
- they share a low to moderate degree of visual and aural similarity and are neither conceptually similar nor dissimilar;
- *printed matter* shares a reasonable level of similarity with the applicants Class 41 services;
- the respective Class 41 and Class 42 services are identical;
- the purchasing process involves enhanced attention, and;
- the earlier mark is endowed with an enhanced level of distinctive character.

85) Taking all of this into account, I conclude that whilst there is no likelihood of direct confusion, where one mark is mistaken for the other, there is a likelihood of indirect confusion where the average consumer will assume that the goods or services provided under the respective marks are from the same or linked undertakings. Factoring in enhanced distinctive character, consumers who have encountered the applicant's OCN mark will, upon encountering the proprietor's mark, notice the same letters OCN appearing at the start of the proprietor's mark leading to more than a mere bringing to mind. I conclude that there is a likelihood of confusion in respect of all of the proprietor's goods and services.

86) In case I am wrong in respect of the issue of proof of use of the applicant's OCN word mark and it is not able to rely upon this mark, I will also consider the issue of likelihood of confusion with the applicant's "West Midlands Region" mark. In this respect, I have found:

- the proprietor's mark cannot be readily divided into dominant and distinctive elements;
- the letters OCN are the dominant and distinctive element of the applicant's mark, but that the crescent device is also a distinctive element;
- they share a reasonably low degree of visual and aural similarity and there is no conceptual similarity;
- *printed matter* and the applicants Class 41 services are identical with those of the proprietor;
- the proprietor's Class 42 services share a reasonably high level of similarity with the applicant's Class 41 services;
- the purchasing process involves enhanced attention, and;
- the earlier mark is endowed with a reasonably high level of distinctive character.

87) Taking all of this into account, I conclude that there is also a likelihood of indirect confusion here in respect of all the proprietor's goods and services. The position, size and impact upon the consumer of the OCN letters within the applicant's mark is sufficient for it to result in a likelihood that the consumer will

believe that the goods or services have originated from the same or linked undertaking.

Section 5(3)

88) The applicant's grounds under this section of the Act is based on a claim that use of the proprietors mark would take unfair advantage of the applicant's mark it is likely to lead the consumer to believe an economic connection between the parties. Such an argument appears to be a "likelihood of confusion" type argument that I have already decided under the Section 5(2) grounds. The applicant's case under Section 5(3) does not advance its case and I shall not consider it further.

Summary

89) There is a likelihood of confusion between the applicant's OCN word mark and the proprietor's mark in respect of all of the proprietor's goods and services.

90) Further, there is also a likelihood of confusion between the applicant's various regional marks (exemplified by my considerations of its "West Midlands Region" mark) and the proprietor's mark and in respect of all of the proprietor's goods and services.

91) Consequently, the invalidation action is successful in respect of the grounds based upon Section 5(2)(b) and Section 5(3) of the Act.

92) The Section 60 grounds were dropped at the hearing.

COSTS

93) The applicant for invalidation has been successful and is entitled to a contribution towards its costs, according to the published scale in Tribunal Practice Notice 4/2007. Ms Lane submitted that the applicant should not be penalised because it dropped its Section 60 claim at the hearing claiming that there was not a great deal of evidence on that point anyway. On the other hand, Mr Moss claimed that with the Section 60 claim being dropped, rendered the applicant's evidence irrelevant. The true position is somewhere between these opposing views. Certainly, there is a body of evidence that I interpret as going to the Section 60 point, and the proprietor was required to unnecessarily consider and respond to this evidence. Whilst I do not consider off-scale costs to be relevant here, the applicant's award of costs is reduced to reflect the additional unnecessary work that the proprietor was put to.

94) I award costs on the following basis:

Preparing statement and considering counterstatement (including official fee)	£500
Preparing evidence & considering other side's evidence	£900
Preparation and attendance at hearing	£900
Reduction for unnecessary evidence	(£400)
Total:	£1900

95) I order Open College Network West Midlands Region to pay National Open College Network the sum of £1900 which, in the absence of an appeal, should be paid within seven days of the expiry of the appeal period.

Dated this 4th day of November 2014

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