

**O/504/21**

**TRADE MARKS ACT 1994**

**CONSOLIDATED PROCEEDINGS**

**IN THE MATTER OF THE DESIGNATION OF INTERNATIONAL REGISTRATION  
NO. 1486237 BY COMONO PTY. LTD  
FOR PROTECTION IN THE UK**

**AND**

**IN THE MATTER OF THE OPPOSITION THERETO UNDER NO. 419648 BY  
SHORTLISTER SOLUTIONS LTD**

**AND**

**IN THE MATTER OF UK REGISTRATIONS NOS 3008224 & 3324883  
BY SHORTLISTER SOLUTIONS LTD**

**AND**

**THE APPLICATIONS FOR DECLARATIONS OF INVALIDITY THEREOF UNDER  
NOS 502821 & 502822 BY  
COMONO PTY. LTD**

## BACKGROUND AND PLEADINGS

### *The opposition*

1. Compono Pty. Ltd (“Compono”) designated the International Registration (“IR”) shown below for protection in the United Kingdom on 28 June 2019. Priority is claimed from Australian Trade Mark No. 2003293, which has a priority date of 30 April 2019.

# Shortlyster

2. The designation was accepted and published on 29 November 2019 in respect of the following services:

### Class 42

*Hosting of software as a service (saas); hosting of databases; creating and designing website-based indexes of information for others (information technology services); consultancy in the design and development of computer software; design and development of computer software (for others); software as a service (saas); platform as a service (paas); application service provider (asp) services; provision of online non-downloadable software (application service provider); database design; computer software design; online provision of web-based software (non-downloadable); hosting computer sites (web sites).*

3. The application was opposed by Shortlister Solutions Limited (“Shortlister”). The opposition is based on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and concerns all the services in respect of which the IR was designated.

4. Under sections 5(2)(b) and 5(3), Shortlister is relying on the following two marks and all the services for which they stand registered:

a) UK Trade Mark (“UKTM”) No. 3008224

Shortlister

Application date: 1 June 2013

Registration date: 30 October 2015

Class 38

*Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; Interactive communications services relating to human resources, employment and recruitment.*

b) UKTM No. 3324883

SHORTLISTER

Application date: 16 July 2018

Registration date: 11 January 2019

Class 35

*Business assistance, management and administrative services; human resources management and recruitment services; employment recruitment; staff recruitment services; personnel recruitment services; personnel recruitment advertising; professional recruitment services; permanent staff recruitment; business recruitment consultancy; recruitment consultancy services; personnel recruitment consultancy; interviewing services; advertising, marketing and promotion services; assessment and design of professional recruitment processes; providing consumer product information relating to software; providing consumer product advice relating to software; business consultancy and advisory services; consultancy, information and advice relating to the aforesaid.*

Class 38

*Telecommunication services provided via platforms and portals on the Internet and other media; providing access to platforms on the Internet; providing user access to platforms on the Internet; delivery of digital audio and/or video telecommunications; delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; interactive telecommunications services; interactive communications services relating to human resources, employment and recruitment; consultancy, information and advice relating to the aforesaid.*

Class 41

*Education and instruction services; Non-Downloadable electronic publications relating to education, human resources, employment, recruitment and interviewing services; providing online electronic publications, training courses; training services; online support resources; consultancy, information and advice relating to the aforesaid.*

Class 42

*Software as a service; consulting services in the field of software as a service; application service provider [ASP] services, namely, hosting computer software applications of others; software development, programming and implementation; adaptation of software for clients; consultancy, information and advice relating to the aforesaid.*

5. I shall refer to these marks collectively as “the SHORTLISTER marks”.

6. Under section 5(2)(b), Shortlister claims that Compono’s services are either identical or similar to its own services and that the marks are similar. It notes that it successfully opposed an earlier designation by Compono for figurative marks containing the word element “Shortlyster” and that it will rely on that decision (BL O-255-19) in these proceedings.

7. Under section 5(3), Shortlister claims that UKTM No. 3008224 has a reputation for all the services for which it is registered and that UKTM No. 3324883 has a reputation

for the following services in Class 38: *Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; interactive communications services relating to human resources, employment and recruitment interviews.*<sup>1</sup> It claims that use of the contested IR would be without due cause and would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier marks.

8. Under section 5(4)(a), Shortlister claims to have established a protectable goodwill through use of the sign **SHORTLISTER** throughout the UK since at least February 2014 in respect of the following goods and services: *Downloadable computer software relating to human resources, employment and recruitment; Printed matter relating to computer software; manuals relating to computer software; instructional and teaching materials relating to computer software; Interviewing services; administration services for the arrangement of interviews; human resource services; human resource management and recruitment services; information, advisory and consultancy services relating thereto; Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; Interactive communications services relating to human resources, employment and recruitment; Non-downloadable software relating to human resources, employment and recruitment; training relating to computer software; provision of information by electronic means including the Internet for educational purposes; provision of educational related non-downloadable information; Software design; software engineering; software creating; software development; software installation; software consulting services; software commission services.* It claims that use of the contested IR would be prevented by the law of passing off.

9. Compono filed a defence and counterstatement denying the claims made and challenged Shortlister's ability to rely on the Decision BL O-255-19. It submitted that:

“Whilst the decision was not appealed for various reasons, the Applicant believes that the reasoning in the decision is flawed and submits that the

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<sup>1</sup> The word “interviews” does not appear in the specification of the mark.

present case and forthcoming evidence must be considered independently. The previous decision is not binding.”<sup>2</sup>

### *The applications for cancellation*

10. On 27 September 2019, Compono applied to invalidate the two earlier marks relied upon in the opposition under section 3(1)(b) and (c) of the Act. It claims that, given the ordinary, well-known meaning of the English word “shortlist”, the word “shortlister” is apt to describe either a product, process or service that assists in, or produces, a shortlist. As such, it contends, the marks would be well understood by the consumer and be perceived as descriptive of the nature and purpose of the services. It claims that on the dates on which the cancellation applications were made, these marks were, and remain, incapable of distinguishing the services of one trader from another. Additionally, it claims that the marks consist exclusively of signs or indications that at the date of application did serve, and continue to serve, in trade to designate the kind, intended purpose, or other characteristic of the services.

11. Shortlister filed defences and counterstatements denying the claims made. It submits that the fact that “shortlist” may have the meanings attributed to it by Compono does not mean that the marks are descriptive or devoid of distinctive character. Further, or in the alternative, it would produce evidence to show that the marks had acquired distinctive character as a result of the use made of them.

### **Evidence and Submissions**

12. Shortlister filed evidence in the form of a witness statement by David Dewey, managing director of Shortlister Solutions Ltd, dated 23 November 2020. It updates the evidence that was filed in the previous proceedings, which is attached at Exhibits DD1 and DD2, and goes to the use and reputation of the SHORTLISTER marks.

13. Compono’s evidence comes from Rebecca Tew, a Chartered Trade Mark Attorney at Mathys & Squire LLP, its representative. Her evidence consists of definitions of the

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<sup>2</sup> Compono’s counterstatement, paragraph 4.

word “shortlist” and explanations of the effect of adding the suffix “-er” to a noun; examples that purport to show the descriptive use of the word “shortlister”; and an EUIPO decision dating from 2010 relating to the refusal of an application to register “SHORTLISTMANAGER” as an EU Trade Mark. Her witness statement is dated 14 January 2021.

14. Shortlister filed evidence in reply in the form of a second witness statement from David Dewey dated 15 March 2021. It presents the results of a search to try to find evidence as to whether “shortlister” is a commonly used term. It also filed a witness statement from Claire Crisp, dated 7 April 2021. Ms Crisp is a Chartered Occupational Psychologist specialising in recruitment and she says that in a 20-year career in the recruitment industry she has not seen the word “shortlister” used to denote a person who is involved in drawing up a shortlist.

15. Both parties filed written submissions, including written submissions in lieu of a hearing. Shortlister’s submissions are dated 30 November 2020 and 23 April 2021; Compono’s are dated 14 January 2021 and 23 April 2021.

16. I have taken this decision following a careful consideration of the papers and shall refer to the evidence and submissions in more detail below where appropriate.

17. In these proceedings, Shortlister is represented by Branded TM Limited t/a BRANDED! and Compono is represented by Mathys & Squire LLP.

## **PRELIMINARY ISSUES**

18. Compono submits that Shortlister has erroneously stated that its UKTM no. 3008224 was less than 5 years old at the relevant time and so not subject to the requirement to provide proof of use. Compono asserts that it should be afforded the opportunity to require that Shortlister shows use of this mark for those services for which it is registered, if such proof is not otherwise given in the evidence.

19. Section 6A(1) and (1A) of the Act set out the relevant period for the requirement to prove use:

“(1) This section applies where

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section ‘the relevant period’ means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.”

20. The relevant period begins with the date of application for registration (or in this case the date of the designation) or the date of the priority claimed. The priority date for the contested IR is 30 April 2019. UKTM No. 3008224 completed its registration procedure on 30 October 2015, less than 5 years before the start of the relevant period and so, subject to the outcome of the cancellation proceedings, Shortlister is able to rely on all the services for which its marks stand registered without having to prove use.

21. Compono raises a further issue that can be dealt with briefly now. It notes that UKTM no. 3324883 is registered for the goods and services in relation to which it asserted in the previous proceedings that it had protectable goodwill.<sup>3</sup> Compono submits that Shortlister was unable to show any use or protectable goodwill in relation to those services. It adds:

“Furthermore, the specification of goods and services extended specifically to those class 42 services previously claimed by Party A [i.e. Compono] in

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<sup>3</sup> The mark is registered for services only, in Classes 35, 38, 41 and 42.

its then earlier applications. The motive of Party B [i.e. Shortlister] in seeking registration in these broad terms has to be questioned as does the existence of a *bona fide* intention to use the mark accordingly.”<sup>4</sup>

22. The invalidity applications against the SHORTLISTER marks are based on sections 3(1)(b) and 3(1)(c) of the Act. Compono has not sought to amend its pleadings to add a section 3(6) ground and makes no further reference to this point in its submissions or evidence. Consequently, Shortlister’s motive in applying for that particular list of services is not a matter for consideration in the present proceedings.

## **DECISION**

23. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

24. I shall deal with the cancellation applications first, as, if they are successful, the section 5(2)(b) and section 5(3) grounds of opposition will fall away.

### **Applications for Declarations of Invalidity against UKTMs 3008224 and 3324883**

25. Section 47(1) of the Act states that:

“The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the

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<sup>4</sup> First set of written submissions from Compono, paragraph 5.

use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.”

26. The relevant parts of section 3(1) of the Act are as follows:

“The following shall not be registered –

...

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

...

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

27. The relevant date for my assessment is the date on which the applications for the SHORTLISTER marks were made. This was 1 June 2013 for UKTM No. 3008224 and 16 July 2018 for UKTM No. 3324883.

### ***Compono’s evidence***

28. In her evidence for Compono, Ms Tew gives the following definitions of the word “shortlist”:

“a list of selected candidates from which a final choice is made”;

“a list of those people or items preferred or most likely to be chosen, as winnowed from a longer list of possibilities”;

“a small number of people who have been judged the most suitable for a job, prize, etc. from a larger number and from which one will finally be chosen”; and

“to put someone or something on a shortlist”.<sup>5</sup>

29. Compono submits that it is an ordinary, well-known word and goes on to assert that, in the English language, the suffix “-er” is commonly added to verbs to make nouns with the meaning of “a person or thing that does something”, as in the words builder, farmer, sprinkler or beeper. The suffix may also be added to a noun to produce “a person concerned with a particular thing”. It gives the following examples: jeweller, lawyer, treasurer, mariner. As a result, it submits, the word “shortlister” is wholly apt to describe a product, process or service that assists, or can be used, in producing or managing a shortlist or is otherwise related to shortlists or shortlisting, and this meaning is well understood by the consumer.

30. Ms Tew also states that:

“Investigations conducted have found an extremely high level of the use of the word ‘shortlist’ and its derivations across the board and particularly in the recruitment sector. I also found many references to ‘shortlister’ used in a descriptive context to refer to individuals and job functions. A selection of material downloaded from the Internet is attached at Exhibit RLT2 by way of illustration.”<sup>6</sup>

31. Exhibit RLT2 contains the following items:

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<sup>5</sup> Exhibit RLT1.

<sup>6</sup> Paragraph 4.

- An article about applying for jobs by the Programme Manager at the West of England Academic Health Science Network. It is entitled “I’m a shortlister, make my job easy!” and was posted on 31 May 2019;
- An undated print out from the totaljobs website containing advice on shortlisting, including a link to content on “How to shortlist candidates for interview”. The word “shortlister” does not appear;
- An undated print out from ideal.com of an article entitled “Shortlisting applicants – step-by-step guide to candidate recruitment”. The article contains the following words: “shortlisting”, “shortlist”, “shortlisted” and “shortlists”;
- A printout from moneysavingexpert.com with a post from 9 November 2007 entitled “Shortlisters wanted for Festive Fivers competition”;
- A page of results from a Google search carried out on an unknown date for “shortlist recruitment”. The page records that 8,840,000 results were retrieved;
- An undated print out from www.shortlist.net, a job searching website. It contains the heading “Welcome to Shortlist”;
- An article dated 15 September 2016 from ideal.com entitled “6 tools for shortlisting candidates to speed up time-to-hire”. It contains the words “shortlisting” and “shortlist”;
- Information from the Iona Community on “Guidelines for Shortlisting Candidates”. The print out is undated and contains the following words: “shortlisting”, “shortlist” and “shortlisted”;
- An undated document from University of Aberdeen HR Services entitled “eRecruiter Manager Guidance Notes”. The clippings below show two uses of the word “shortlister” in context.

## 1.2 Manager Tools Menu

The Manager Tools menu appears on the left side of the screen. See opposite:-



### Descriptors

The below descriptors are the options that are available to you during the recruitment process:

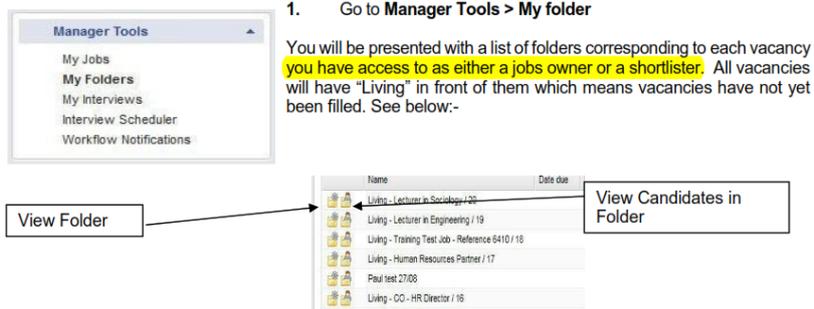
**My Jobs** – provides a list of your job vacancies with an overview of the information related to the vacancy (e.g. the closing date, number of applicants).

**NOTE:** Recruiting managers have restricted access within My Jobs tool. To review applications and other information refer to My Folders tool.

**My Folders** – Provides access to the folders of your jobs and the jobs where you were added as a shortlister. This is the main area of work for you where you can review applications, shortlist or reject candidate.

## 2 Accessing and Rating Applications

### 1. Go to **Manager Tools > My folder**



The screenshot shows a 'Manager Tools' sidebar with options: My Jobs, My Folders, My Interviews, Interview Scheduler, and Workflow Notifications. A 'View Folder' button points to a list of folders. A 'View Candidates in Folder' button points to a list of vacancies. The vacancies list includes:

Name	Date due
Living - Lecturer in Sociology / 20	
Living - Lecturer in Engineering / 19	
Living - Training Test Job - Reference 6410 / 18	
Living - Human Resources Partner / 17	
Paul test 27/08	
Living - CO - HR Director / 16	

You will be presented with a list of folders corresponding to each vacancy **you have access to as either a jobs owner or a shortlister**. All vacancies will have "Living" in front of them which means vacancies have not yet been filled. See below:-

### **Shortlister's evidence**

32. Mr Dewey's first witness statement went to the use and reputation of the earlier marks and I shall return to this later in my decision. His second witness statement goes to the claim that the SHORTLISTER marks are descriptive and/or devoid of distinctive character. He states that he has searched through a number of "credible" sources and found no use of the word "shortlister". These are the websites of the Advisory, Conciliation and Arbitration Service (ACAS) and the Chartered Institute of Personnel and Development (CIPD), and recruitment policies of the Civil Service and NHS.

33. In her witness statement, Ms Crisp says that:

"In the 20 years during which I have been working in the recruitment industry, I have only come across the term SHORTLISTER as the trading name of Shortlister Solutions Ltd. I have never used, or seen the term SHORTLISTER used, to describe a person who is undertaking activity in connection to providing a 'shortlist' of job applicants for a particular role. In my professional experience this is not a term used in this situation. Instead, terms such as 'Telephone Interviewer', 'Response Handler' or 'Recruitment Coordinator' are commonplace in the recruitment field, and I have seen all of these used throughout my career to describe this type of role/person."<sup>7</sup>

<sup>7</sup> Paragraph 4.

### ***Findings of fact***

34. I note that no dictionary definition of the word “shortlister” has been provided but accept that it has been coined by adding the suffix “-er” to the word “shortlist”.

35. Ms Tew, on behalf of Compono, has provided three documents in which the word “shortlister” is used. This is a small number and in my view does not support the statement that searches produced “many” references to the word used in a descriptive context. Furthermore, one is undated and shows use of the word in guidance on an electronic recruitment system used in a university; one was posted after the relevant date in both invalidity applications; and only one appeared before either of the relevant dates and in the context of a competition, rather than recruitment.

### ***Section 3(1)(c)***

36. The case law under section 3(1)(c) (corresponding to Article 7(1)(c) of the EUTM Regulation, formerly Article 7(1)(c) of the CTM Regulation) was set out by Arnold J (as he then was) in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) as follows:

“91. The principles to be applied under art. 7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:

‘33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L40, p. 1), see, by analogy, [2004] ECR I-1669, paragraph 19; as regards Article 7 of Regulation No 40/94, see

*Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr & Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9; [2004] R.P.C. 18, paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461, paragraph 24).

36. ... due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44, paragraph 45, and *Lego Juris v OHIM* (C-48/09 P), paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley*, paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94, it is not necessary that the sign in question actually be in use at the time of the application in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie*, paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real,

current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] E.C.R. I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] E.C.R. I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).

And

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that

the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No 40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94, the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56).'

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99) [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97].”

37. More recently, Zacaroli J summarised the key question in *Puma SE v Nike Innovate C.V.*, [2021] EWHC 1438 (Ch):

“Ultimately, as Ms Himsworth QC submitted, the question is whether the mark applied for, when notionally and fairly used, is descriptive of the goods and services in question within the meaning of section 3(1)(c). A sign can be refused registration ‘only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of [the characteristics in section 3(1)(c)]: *Technopol* (above), at [50]. Moreover, a sign will be descriptive ‘if there is a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of one of the characteristics of the goods and services in question’: Case T-234/06 *Giampetro Torresan* (above) at [25].”<sup>8</sup>

38. I must take into account the perception of the average consumer of the services, including those in trade: see *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04, paragraph 24. In my view, the average consumer of Shortlister’s services is a business and in larger organisations this would be the human resources or IT departments. There are also several broad terms within the specifications, such as *Education and instruction services* and *Providing online electronic publications, training courses* (UKTM No. 3324883) where the average consumer would be a member of the general public.

39. The parties disagree on whether the term “shortlister” is descriptive. Shortlister submits that the term has no meaning but that even if it were, as Compono argues,

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<sup>8</sup> Paragraph 21.

apt to describe a product, process or service that produces a shortlist, or assists in that task, that would make the term no more than allusive in the context of the services at issue. It draws my attention to the reasoning of the Hearing Officer in the previous decision.<sup>9</sup> I note, however, that he reminded himself that he was required to proceed on the basis that the earlier marks were validly registered, so this decision is not as helpful to Shortlister in this respect as it submits.

40. Compono's arguments start from the undisputed fact that "shortlist" is a common English word with the meanings set out above. It then submits that, because the suffix "-er", is frequently added to an English verb to make a noun with the meaning of "a person or thing that does something", the average English speaking consumer will "without any difficulty at all interpret 'Shortlister' as a person or thing/process that does something, i.e. shortlists".<sup>10</sup> It continues:

"The mark is entirely descriptive of goods and services which act as a Shortlister for, by way of example, candidates in a recruitment process. The indication is direct requiring no imagination or second step on the part of the user to determine the nature and purpose of the registered goods and services."<sup>11</sup>

41. It is established case law that a word that has been created from combining two descriptive words will itself be descriptive in the absence of any unusual variations: see *Campina Melkunie BV v Benelux-Merkenbureau*, Case 265/00, paragraph 39. Compono draws my attention to the decision of the EUIPO to refuse protection for the mark SHORTLISTMANAGER for goods and services in Classes 9, 35 and 42.<sup>12</sup> It has not, however, mentioned any cases where the mark at issue is created from adding a commonly used suffix to an allegedly descriptive word.

42. I agree that the average English-speaking consumer of the services in question will perceive the word "shortlister" to denote a person, thing or process that creates a

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<sup>9</sup> Paragraph 44.

<sup>10</sup> Compono's first written submissions, paragraph 22.

<sup>11</sup> Paragraph 25.

<sup>12</sup> Exhibit RLT3.

shortlist, on the basis of an intuitive understanding of the rules of the English language. I will now consider whether the term is descriptive of the particular services for which the SHORTLISTER marks are registered.

#### *Class 35*

43. UKTM No. 3324883 stands registered in respect of the following services in Class 35: *Business assistance, management and administrative services; human resources management and recruitment services; employment recruitment; staff recruitment services; personnel recruitment services; personnel recruitment advertising; professional recruitment services; permanent staff recruitment; business recruitment consultancy; recruitment consultancy services; personnel recruitment consultancy; interviewing services; advertising, marketing and promotion services; assessment and design of professional recruitment processes; providing consumer product information relating to software; providing consumer product advice relating to software; business consultancy and advisory services; consultancy, information and advice relating to the aforesaid.*

44. While, in my view, the evidence does not show that the word “shortlister” was used in recruitment and human resources at the time that the applications for the earlier marks were made, it is not necessary for the mark to have been used descriptively. Rather, it is sufficient that it could have been so used. I accept that the word “shortlist” is frequently used in the context of human resources and recruitment, and so it is entirely possible that providers of these services may wish to use the term “shortlister”. I find that it is descriptive for *Human resources management and recruitment services; employment recruitment; staff recruitment services; personnel recruitment services; personnel recruitment advertising; professional recruitment services; permanent staff recruitment; business recruitment consultancy; recruitment consultancy services; personnel recruitment consultancy; interviewing services; assessment and design of professional recruitment processes; consultancy, information and advice relating to the aforesaid.* I consider that the same applies with regard to the terms *Business assistance, management and administrative services* and *Business consultancy and advisory services* as fair and notional use of the mark as registered would cover services related to human resources and recruitment.

45. The definitions of “shortlist” that I have already quoted show that it is not only people who can be shortlisted. I find it possible that traders may wish to use the word “shortlister” descriptively in relation to the remaining services in Class 35 (*Advertising, marketing and promotion services; providing consumer product information relating to software; providing consumer product advice relating to software; consultancy, information and advice relating to the aforesaid*) to denote a process, tool or person that draws up, or assists in drawing up, a list of preferred items.

#### *Class 38*

46. Both of Shortlister’s marks stand registered in respect of the following services in Class 38: *Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; Interactive communications services relating to human resources, employment and recruitment*. These are services that enable users to access and transmit information and communicate with at least one other person for purposes related to human resources, employment and recruitment. In my view, these terms include communications services that are intended to draw up shortlists of people, and so traders may wish to use the word “shortlister” to describe them. I find that “shortlister” describes a characteristic of these services.

47. UKTM No. 3324883 also stands registered in respect of the following services in Class 38: *Telecommunication services provided via platforms and portals on the Internet and other media; providing access to platforms on the Internet; providing user access to platforms on the Internet; delivery of digital audio and/or video telecommunications; interactive telecommunications services; consultancy, information and advice relating to the aforesaid*. In my view, these terms could cover either the services listed in the previous paragraph or consultancy, information and advisory services relating to them. Consequently, I find that traders may want to use the term “shortlister” to describe a characteristic of their services.

#### *Class 41*

48. UKTM No. 3324883 stands registered in respect of the following services in Class 41: *Education and instruction services; Non-Downloadable electronic publications*

*relating to education, human resources, employment, recruitment and interviewing services; providing online electronic publications, training courses; training services; online support resources; consultancy, information and advice relating to the aforesaid.* Some of these services specifically concern recruitment and interviewing, while others are more general. Nevertheless, these general services may all include the provision of publications, resources and training on recruitment and interviewing and so I find that traders may wish to use the term “shortlister” to describe a characteristic of all these services.

#### *Class 42*

49. UKTM No. 3324883 stands registered in respect of the following services in Class 42: *Software as a service; consulting services in the field of software as a service; application service provider [ASP] services, namely, hosting computer software applications of others; software development, programming and implementation; adaptation of software for clients; consultancy, information and advice relating to the aforesaid.* These are services that involve the design and development, provision or hosting of software, or consultancy and advice in relation to those services. It does not seem to me that traders would want to use the word “shortlister” to describe their services. I find that the mark is not objectionable under section 3(1)(c) for the Class 42 services.

50. Shortlister claims that, in the event that I find that its marks are descriptive, they have acquired distinctive character. I shall return to this point following my analysis of Compono’s claim under section 3(1)(b).

#### **Section 3(1)(b)**

51. I shall now consider the application for invalidity under section 3(1)(b), which prevents the registration of marks that are devoid of distinctive character. While there is a degree of overlap between this ground and section 3(1)(c), I am aware that they are independent grounds and have different underlying general interests: see *SAT.1 SatellitenFernsehen GmbH v OHIM*, Case C-392/02 P, paragraph 25.

52. The principles to be applied under Article 7(1)(b) of the CTM Regulation (which is now Article 7(1)(b) of the EUTM Regulation, and is identical to Article 3(1)(b) of the Trade Marks Directive and section 3(1)(b) of the Act) were conveniently summarised by the Court of Justice of the European Union (“CJEU”) in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG*, Case C-265/09 P, as follows:

“29. ... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck v OHIM*, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67). Furthermore, the Court has held, as OHIM points out in its appeal, that that method of assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat v OHIM* [2004] ECR I-10107, paragraph 78; *Storck v OHIM*, paragraph 26; and *Audi v OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the relevant public's perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain categories as compared with marks of other categories (see Joined Cases C-473/01 P and C-474/01 P *Procter & Gamble v OHIM* [2004] ECR I-5173, paragraph 36; Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel v OHIM*, paragraphs 36 and 38; and *Audi v OHIM*, paragraph 37)."

53. Where a mark is descriptive for certain services, it follows that it lacks the required distinctiveness to avoid objection under section 3(1). Shortlister's marks will therefore *prima facie* be devoid of distinctive character for all the services where I found that "shortlister" was descriptive of a characteristic of those services.

54. Having found that "shortlister" is not descriptive for the Class 42 services, I see no reason why it should be considered devoid of distinctive character under section 3(1)(b).

### ***Acquired Distinctiveness***

55. Section 3(1) provides that if a mark has acquired a distinctive character through use before the date of application registration shall not be refused under sections 3(1)(b) or 3(1)(c). As these are applications for invalidity, whether the mark has acquired distinctiveness after registration is also relevant under section 47(1) of the Act.

56. In *Windsurfing Chiemsee v Huber and Attenberger*, Joined Cases C-108/97 and C-109/97, the CJEU gave the following guidance:

"51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: 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 class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages.”

57. The burden of establishing acquired distinctiveness in the present circumstances rests on the proprietor of the marks, i.e. Shortlister: see *Oberbank AG & Ors v Deutscher Sparkassen- und Giroverband eV*, Joined Cases C-217/13 and C-218/13, paragraphs 66-71.

58. David Dewey’s first witness statement and accompanying exhibits provide evidence on the use that has been made of the marks. Shortlister began trading under the marks in 2014 and has generated the following sales figures from its virtual interviewing software:<sup>13</sup>

YEAR/PERIOD	SALES (£)
2014	1,675
2015	39,815
2016	67,214
2017	107,451
2018	127,728
2019	303,730

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<sup>13</sup> Paragraph 11.

59. Mr Dewey states that the following numbers of applicants were invited to Shortlister interviews between 2014 and 2019:<sup>14</sup>

YEAR	APPLICANTS
2014-2015	9,080
2015-2016	16,608
2016-2017	22,779
2018	23,175
2019	46,511

60. As of the date of Mr Dewey's first witness statement (30 November 2020), Shortlister is reported to have 3325 company users, 1541 of whom were added in 2019, and not less than 1864 people had the app installed on their mobile device. Since 2018, this app has gone by the name SHORTLIST.ME.<sup>15</sup> Among the companies that Mr Dewey says have a relationship with Shortlister are Kraft Heinz, Pitney Bowes, Sky, Yell, East Midlands Trains, Taylor Wimpey, Allianz and Merlin Entertainment.<sup>16</sup>

61. Advertising expenditure is shown below:<sup>17</sup>

YEAR/PERIOD	ADVERTISING COSTS (£)
2014	45,863
2015	32,322
2016	37,801
2017	56,528
2018	36,108
2019	27,434

62. Advertising and marketing activity includes at least £8,900 on Google Adwords marketing<sup>18</sup> (although no dates are given), promotional videos on YouTube,<sup>19</sup>

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<sup>14</sup> Paragraph 6.

<sup>15</sup> Exhibit DD1, Witness Statement, paragraph 6.

<sup>16</sup> Paragraph 3.

<sup>17</sup> Paragraph 10.

<sup>18</sup> Paragraph 9.

<sup>19</sup> Paragraph 8.

advertising on LinkedIn,<sup>20</sup> and sponsorship of the Target Job Awards in 2016.<sup>21</sup> The evidence from the earlier proceedings also includes articles mentioning Shortlister in publications such as *The Financial Times*, *Yorkshire Post*, *York Press*, *Harrogate Advertiser* and *The Business Desk* between December 2013 and March 2016. The company has also been a Finalist for the Most Innovative Business at the O2 Smarta 100 awards and won Outstanding Supplier in 2018 from the Institute of Student Employers.<sup>22</sup> It has also promoted its services at trade fairs such as Recruitment Agency Expo 2014 and CIPD HR Software Show 2014, both at Olympia in London, and the ISE Expo in January 2017 at Bishopsgate, London.<sup>23</sup>

63. In Shortlister's written submissions, it is stated that the company has 7.45% of the market.<sup>24</sup> This is based on a table in Exhibit DD2 showing UK installations of video interview apps from Play Store. No date is given.

64. Compono submits that this evidence does not show that the marks have acquired distinctive character by reason of use in relation to the services for which they are registered. Shortlister, on the other hand, notes that the Hearing Officer in the previous proceedings found, on the basis of evidence that has been filed again here, that under section 5(3) of the Act the first mark had a reputation in respect of the following services in Class 38: *Delivery of digital audio and/or video recruitment interviews by telecommunications; interactive communications services relating to recruitment interviews*.<sup>25</sup> Shortlister continues:

“That finding was not appealed by the Applicant who has accepted it. It is submitted that this finding and the evidence relied upon by Mr Bryant is sufficient to enable the Proprietor to take advantage to the proviso to

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<sup>20</sup> Paragraph 14 of Exhibit DD1.

<sup>21</sup> Paragraph 11 of Exhibit DD1.

<sup>22</sup> Paragraph 17 of Exhibit DD1.

<sup>23</sup> Paragraph 18 of Exhibit DD1.

<sup>24</sup> Paragraph 15.

<sup>25</sup> In its counterstatement, Shortlister says that the Hearing Officer found a reputation for *Delivery of digital audio and/or video recruitment interviews by telecommunications relating to human resources, employment and recruitment; Interactive communications services relating to human resources, employment and recruitment interviews*. This contains the text that the Hearing Officer deleted using strike-through, so I take this to be a formatting error.

Section 3 of the Act, if not in respect of all services covered by the challenged registration then in respect of the services detailed above.”<sup>26</sup>

65. The services covered by the first SHORTLISTER mark are specific to the human resources, employment and recruitment fields and so the consumers are likely to be HR professionals. They will be the ones deciding how interviews, and the recruitment process more broadly, will be managed. The services may also be purchased by would-be candidates who wish to improve their remote interview technique.

66. The evidence shows that the word “shortlister” has been used to denote the origin of the services provided by the company. Sales figures have increased consistently over a five-year period, as have the numbers of applicants interviewed. I have no information on the size of the overall market for remote interviewing, but I note from the media coverage that Shortlister has been an innovator in this particular sector. In my view it is probable that a significant proportion of consumers of the services supplied under UKTM No. 3008224 would assume that they are under the control of a single undertaking. **The application for invalidity against this mark fails.**

67. I turn now to UKTM No. 3324883. I do not consider that there is evidence of use of the mark for the Class 35 services, even including *Interviewing services*. It is clear that the services that Shortlister provide are communications services. They do not appear to conduct interviews themselves, although I do note that there is a facility for users to practise their virtual interview technique and receive feedback. The extent to which this is used is not apparent from the evidence. Consequently, I find that Shortlister has not shown that the mark has acquired distinctiveness for these services.

68. While I found that “Shortlister” had acquired distinctiveness with respect to the specific communications services covered by UKTM No. 3008224 (and which are also covered by UKTM No. 3324883), I consider the evidence is insufficient for me to find acquired distinctiveness with respect to the rest of the services in Class 38.

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<sup>26</sup> Counterstatement, paragraph 15.

69. In Exhibit DD2 to Exhibit DD1 (Mr Dewey's witness statement from the earlier proceedings), Shortlister's website appears to include resources and guides on recruitment and interviews. It is not clear how frequently these have been viewed. I have already noted that potential candidates can use an app to practise their interview skills and receive feedback. This could constitute *Instruction services*, but again the extent of use and awareness of these services is not apparent. I am therefore unable to find that UKTM No. 3324883 has acquired distinctiveness in relation to the services in Class 41.

70. UKTM No. 3324883 **may remain registered for the following services:**

Class 38

*Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; interactive communications services relating to human resources, employment and recruitment.*

Class 42

*Software as a service; consulting services in the field of software as a service; application service provider [ASP] services, namely, hosting computer software applications of others; software development, programming and implementation; adaptation of software for clients; consultancy, information and advice relating to the aforesaid.*

**Opposition to the Designation of IR No. 1486237**

**Section 5(2)(b)**

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

“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.”

72. An “earlier trade mark” is defined in section 6(1) of the Act as:

“(a) a registered trade mark, international trade mark (UK), a European Union 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,

(b) a European Union trade mark or international trade mark (EC) which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired,

(ba) a registered trade mark or international trade mark (UK) which –

(i) has been converted from a European Union trade mark or international trade mark (EC) which itself had a valid claim to seniority within paragraph (b) from an earlier trade mark, and

(ii) accordingly has the same claim to seniority, or

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.”

73. The registrations upon which Shortlister relies qualify as earlier trade marks under the above provision. For the purposes of the opposition under this section, I shall focus on UKTM No. 3324883 as this has the broader specification. Both marks are identical aside from the fact that one is in title case and one in upper case. As both are word marks, they protect that word in any standard font and capitalisation.

74. In considering the opposition under this section, I am guided by the following principles, gleaned 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 BV* (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their 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 greater 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; and

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 services***

75. Compono accepts that its services are identical or similar to Shortlister's Class 42 services.

### ***Average consumer and the purchasing process***

76. In *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors* [2014] EWHC 439 (Ch), Birss J (as he then was) described the average consumer in these terms:

“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 word ‘average’ denotes that the person is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”<sup>27</sup>

77. The average consumer of the Class 42 services is likely to be a business. The services will be purchased relatively infrequently and the consumer is likely to be paying a fairly high degree of attention given the importance of such services in the operations of any business. The purchasing process is likely to be visual in nature, as the consumer will browse on the internet or see advertisements. However, I do not discount aural considerations, as word-of-mouth recommendations may also be made.

### ***Comparison of marks***

78. It is clear from *SABEL* (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 CJEU stated in *Bimbo* that:

“... it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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.”<sup>28</sup>

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<sup>27</sup> Paragraph 60.

<sup>28</sup> Paragraph 34.

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

80. The respective marks are shown below:

Earlier mark	Contested IR
SHORTLISTER	<b>Shortlyster</b>

81. The earlier mark consists of the word “SHORTLISTER” in capital letters. The overall impression of the mark lies in the word itself.

82. Compono’s IR is the word “Shortlyster” in a standard font, with a stylised letter “y”, made up of two lines joined at around 240°. The upper right diagonal of the standard letter is replaced with a small black circle. The stylisation makes some contribution to the overall impression of the mark, but the greater part is played by the word itself.

83. Shortlister submits that the only visual difference between the marks lies in the 7<sup>th</sup> letter and is likely to be overlooked or disregarded. Compono submits that the average consumer will be particularly alert to the elements of the mark that are different, as, in its view, the earlier mark is descriptive. It will be recalled, though, that I did not find the earlier mark to be descriptive with respect to the Class 42 services which Compono admits are identical or similar to its services. I find the marks to be visually similar to a high degree.

84. The earlier mark would be pronounced “SHORT-LIST-ER”. Compono makes no submissions on how its IR would be spoken, but I agree with Shortlister that it is most likely that the marks are aurally identical.

85. On the basis of my earlier findings, the earlier mark would be seen as a person, process or thing that prepares a shortlist of preferred candidates or options. I agree

with Shortlister that Compono's mark would be seen as a misspelling or variation of "SHORTLISTER". Therefore I find the marks to be conceptually identical.

### ***Distinctive character of the earlier marks***

86. In *Lloyd Schuhfabrik Meyer*, 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 Alternberger* [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)."

87. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

88. The relevant services can be used for a wide variety of purposes. The earlier mark is allusive of a possible use of those services, but the allusion is not a strong one, and

so I find that the inherent distinctiveness of the mark ranges between low and medium. The evidence does not show that the distinctiveness of the marks has been enhanced through use for the Class 42 services.

### ***Conclusions on the likelihood of confusion***

89. There is no scientific formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle, i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services or vice versa. It is necessary for me to take account of the distinctive character of the earlier mark, the average consumer and the nature of the purchasing process for the contested services. In doing so, I must be aware that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them they have in their mind.

90. Compono admits that the services are identical or similar and I have found that the marks are visually highly similar and aurally and conceptually identical. I found that the average consumer would be paying a fairly high degree of attention and that the purchasing process would be primarily visual, although aural considerations would also play a part. Finally, I found that the earlier mark has a low to medium degree of inherent distinctiveness for the Class 42 services and this distinctiveness had not been enhanced through use.

91. There are two types of confusion: direct and indirect. In *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, Mr Iain Purvis QC, sitting as the Appointed Person, explained that:

“Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually

recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.’<sup>29</sup>

92. In my view, the similarity between the marks and the identity and similarity in the services outweighs the low to medium inherent distinctiveness of the earlier mark. I accept that the average consumer is likely to paying a higher than average degree of attention when purchasing the Class 42 services, but this does not mean that they will remember the marks perfectly. I consider that, factoring in imperfect recollection, the average consumer is likely to be directly confused even where the services are only similar. The section 5(2)(b) ground succeeds.

93. Although the opposition has succeeded fully under section 5(2)(b) of the Act, I shall briefly consider the claim under section 5(4)(a).

### **Section 5(4)(a)**

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

“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 or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection 4(A) is met

...”

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<sup>29</sup> Paragraph 16.

95. Subsection 4(A) is as follows:

“The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

96. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the ‘classical trinity’ that must be proved in order to reach a finding of passing off:

“First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”<sup>30</sup>

97. Shortlister claims to have established protectable goodwill for the list of goods and services that can be found in paragraph 8 above. The evidence shows that the SHORTLISTER sign has been in use since 2014, five years before the priority date for the IR. Compono does not claim to have used its IR before that date, and so I must assess whether Shortlister had protectable goodwill as of 30 April 2019.

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<sup>30</sup> Page 406.

98. The same evidence that led me to find that the SHORTLISTER marks had acquired distinctiveness for *Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment* and *Interactive communications services relating to human resources, employment and recruitment* leads me to find that it has protectable goodwill in relation to the supply of those services.

99. The test for misrepresentation is different from that for the likelihood of confusion. It was set out by Morritt LJ in *Neutrogena Corporation & Anor v Golden Limited & Anor* [1996] RPC 473 at [493]:

“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] RPC 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 4<sup>th</sup> 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 RPC 147 at page 175; and *Re Smith Hayden’s Application* (1945) 63 RPC 97 at page 101.”

100. Under section 5(2)(b), I compared Compono’s services to Shortlister’s Class 42 services. Here the comparison is with telecommunications services used in the context of human resources, employment and recruitment. The level of similarity will be slightly lower than it was under section 5(2)(b), but this is not fatal to Shortlister’s case. For the purposes of section 5(4)(a), there is no requirement for the parties to be in the same field of activity: see *Harrods Limited v Harroddian School Limited* [1996] RPC 697 (CA), at [714]-[715]. Compono’s Class 42 services are likely to be used to deliver the

telecommunications services of Shortlister, and the marks are sufficiently similar for a substantial number of members of the public to be deceived into thinking that the Class 42 services came from Shortlister. Damage to Shortlister would be likely in that it would lose control over its reputation.

101. The opposition succeeds under section 5(4)(a). As the opposition has succeeded under section 5(2)(b) also, there is no need for me to consider the claim under section 5(3).

## **CONCLUSION**

102. The application for a declaration of invalidity against UKTM No. 3008224 has failed.

103. The application for a declaration of invalidity against UKTM No. 3224883 has succeeded with respect to the services listed below:

### *Class 35*

*Business assistance, management and administrative services; human resources management and recruitment services; employment recruitment; staff recruitment services; personnel recruitment services; personnel recruitment advertising; professional recruitment services; permanent staff recruitment; business recruitment consultancy; recruitment consultancy services; personnel recruitment consultancy; interviewing services; advertising, marketing and promotion services; assessment and design of professional recruitment processes; providing consumer product information relating to software; providing consumer product advice relating to software; business consultancy and advisory services; consultancy, information and advice relating to the aforesaid.*

### *Class 38*

*Telecommunication services provided via platforms and portals on the Internet and other media; providing access to platforms on the Internet; providing user access to platforms on the Internet; delivery of digital audio and/or video*

*telecommunications; interactive telecommunications services; consultancy, information and advice relating to the aforesaid.*

*Class 41*

*Education and instruction services; Non-Downloadable electronic publications relating to education, human resources, employment, recruitment and interviewing services; providing online electronic publications, training courses; training services; online support services; consultancy, information and advice relating to the aforesaid.*

104. The opposition has succeeded and the designation of International Registration no. 1486237 is refused.

**COSTS**

105. Both parties have enjoyed a measure of success, with the greater part going to Shortlister, who had requested that off-scale costs be awarded. It noted that the decision in the earlier proceedings had not been appealed, but that less than six weeks after that decision had been issued, Compono made a further designation for what Shortlister describes as a virtually identical sign, and less than six months after the decision, had filed cancellation applications against the marks on which Shortlister was relying to oppose the designation. It contends that Compono should have appealed the earlier decision if it disagreed with it, and that the present course of action represented an abuse of process.

106. Compono states that its decision was driven by the amendment of its mark in Australia and notes that the designation claims priority from an Australian filing made in April 2019, before the earlier decision had been issued. I see no reason to disbelieve this account of events and note that, while these proceedings may have been frustrating for Shortlister, Compono was entitled to apply for declarations of invalidity against Shortlister's marks. I therefore consider that off-scale costs would not be appropriate in this instance.

107. I have therefore calculated the award of costs in line with the scale set out in Tribunal Practice Notice (TPN) 2/2016. In the circumstances, I award the opponent the sum of £1800 as a contribution towards the cost of these proceedings. I have made reductions in the award to reflect the measure of the other side's success. The sum is calculated as follows:

*Preparing a statement and considering the other side's statement (opposition):*

*£400*

*Preparing a statement and considering the other side's statement (cancellation):*

*£200*

*Preparing evidence and considering the other side's evidence: £800*

*Preparation of written submissions in lieu of a hearing: £200*

*Official fees: £200*

**TOTAL: £1800**

108. I therefore order Compono Pty. Ltd to pay Shortlister Solutions Ltd the sum of £1800, which should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

**Dated this 2<sup>nd</sup> day of July 2021**

**Clare Boucher**

**For the Registrar,**

**Comptroller-General**