

O/520/20

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF APPLICATIONS NO. UK00003373641

AND NO. UK00003373649 BY

HAUS PROPERTIES LEEDS LTD

TO REGISTER:

haus<sup>🏠</sup> | Student

and

haus<sup>🏠</sup> | sales +  
lettings

AS TRADE MARKS IN CLASS 36

AND

IN THE MATTER OF OPPOSITIONS THERETO

UNDER NO. 416449 AND NO. 416450 BY

MISTORIA ESTATE AGENTS LIMITED

## BACKGROUND AND PLEADINGS

1. On 7 February 2019, Haus Properties Leeds Ltd (“the applicant”) applied to register the following trade marks in the UK:

**haus**  | **Student**

for the following services:

Class 36: Real Estate services; Sale of buy to let property; Letting of student accommodation; Property Management of student accommodation.

(“the applicant’s first mark”); and

**haus**  | **sales +  
lettings**

for the following services:

Class 36: Real Estate; Letting of property; Sale of property; Sale of Land; Sale of New Build Homes; Property Management.

(“the applicant’s second mark”)

2. The applicant’s first and second marks (collectively, “the applicant’s marks”) were published for opposition purposes on 1 March 2019.
3. The applicant’s marks were partially opposed on 31 May 2019 by Mistoria Estate Agents Limited (“the opponent”). The oppositions are based on section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent relies on the following mark:



UK registration no. 3189006

Filing date 3 October 2016; registration date 30 December 2016

Relying on all services namely:

Class 36: Property Letting and Management Services

4. The opposition is directed against the following services of the applicant's first mark only:

Class 36: Real Estate services; Letting of student accommodation; Property Management of student accommodation.

5. In respect of the applicant's second mark, the opposition is directed against the following services only:

Class 36: Real Estate; Letting of property; Sale of property; Property Management.

6. The opponent submits that there is a likelihood of confusion between the parties' respective marks due to the similarity between them and the identity or similarity between the services.

7. The applicant filed a counterstatement denying the claims made.

8. By letter dated 21 August 2019, the Registry confirmed to the parties that the proceedings were to be consolidated pursuant to Rule 62(g) of the Trade Marks Rules 2008.

9. The opponent is represented by Primas Law Limited and the applicant is unrepresented. Only the applicant has filed evidence. No hearing was requested

and both parties have filed written submissions in lieu of a hearing. I have taken these into consideration and will refer to them below where necessary. This decision is taken following a careful perusal of the papers.

## **EVIDENCE**

10. The applicant has submitted evidence in the form of the witness statement of Mr Roderic Aitkens dated 3 February 2020. Mr Aitkens has worked for the applicant since 2011. He has also worked for a company called Haus Property Sales Leeds Limited since 10 April 2015.
  
11. Mr Aitkens states that the applicant's second mark has been used since December 2011 and evidence of this is provided in the form of print outs from the 'wayback machine' showing the applicant's website on 20 January 2012,<sup>1</sup> the applicant's website as at 2011<sup>2</sup> and a Google Maps Street View screenshot of the applicant's premises dated August 2014.<sup>3</sup> In addition, a number of website print outs confirming that the applicant has been the recipient of a number of Negotiator Award, being the 2015 Gold Award for Small Lettings Agency of the Year Gold Award (in the name of Haus Properties (Leeds))<sup>4</sup>, the 2016 Bronze Award for Yorkshire & The Humber Agency of the Year (in the name of Haus Properties)<sup>5</sup> and the 2018 Gold Award for Estate Agency of the Year (2 to 5 branches) (in the name of Haus Sales & Lettings).<sup>6</sup>
  
12. Evidence of various adverts have also been included, showing the applicant's second mark in a Summer 2012 housing newspaper,<sup>7</sup> the applicant's second mark on a double decker bus, a photo of which was posted via the applicant's 'Student Haus' social media account on 19 May 2015<sup>8</sup> and a social media post from 20

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<sup>1</sup> Exhibit RA1b

<sup>2</sup> Exhibit RA2

<sup>3</sup> Exhibit RA3

<sup>4</sup> Exhibit RA4

<sup>5</sup> Exhibit RA5

<sup>6</sup> Exhibit RA6

<sup>7</sup> Exhibit RA7

<sup>8</sup> Exhibit RA8

January 2016 under the applicant's 'Student Haus' account,<sup>9</sup> however, I note that this post does not include the applicant's first mark.

13. Mr Aitkens refers to a video advertisement that is available on YouTube. The applicant included this evidence by way of a USB stick.<sup>10</sup> I have viewed this video via the USB stick submitted by the applicant and note that it is an advertisement for the services offered under the applicant's first mark that is aimed at students in the Leeds area.
14. Further, there is additional evidence that contains a photograph of what appears to be the applicant's store front that shows the applicant's second mark.<sup>11</sup> There are also a number of social media posts from the applicant's 'Student Haus' account dated 23 May 2016,<sup>12</sup> 2 November 2016<sup>13</sup> and 17 September 2017<sup>14</sup>, however, I note that none of these show the applicant's first mark.
15. Mr Aitkens states that the applicant's second mark has been in use as its logo on its website, external signage and documents since the company's inception. Mr Aitkens also provides figures in respect of how many students it lets to. Of these figures I note that the applicant let to 1,500 students in 2012, 1,150 in 2013, 1,050 in 2014, 1,100 in 2015, 1,100 in 2016, 1,174 in 2017, 1,150 in 2018 and 1,250 in 2019.
16. The applicant provides sales, property management and lettings of residential and student properties. It lets over 300 properties which are HMOs (being Houses in Multiple Occupation). Further, it sells approximately 10 to 15 properties per annum. The applicant spends approximately £30,000 per annum on advertising its second mark since December 2011.

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<sup>9</sup> Exhibit RA9

<sup>10</sup> Exhibit RA10

<sup>11</sup> Exhibit RA12

<sup>12</sup> Exhibit RA13

<sup>13</sup> Exhibit RA14

<sup>14</sup> Exhibit RA15

## PRELIMINARY ISSUE

17. The applicant's evidence provides a number of examples of its marks in use and explains the history of its use of the mark. Further, I note that in its submissions, the applicant states:

“4. As the evidence and facts provided, we have established brand and trademark usage pre October 2016 when Student Haus first made their trademark application RA1a RA1b RA2 RA3 RA5 RA7 RA8 RA9 RA10 RA12 RA13 RA14 RA15 shows the Applicant were using the TMA and Logo widely from December 2011 onwards so under section 47(2)(b) TMA that both the Haus Student word mark and logo were invalid for being registered in contravention of section 5(4)(a).

5. The Opponents have provided no dated evidence of use of goodwill.”

18. For reasons that I will now explain, the applicant's evidence and submissions regarding the use of its marks and its reliance upon sections 5(4)(a) and 47(2)(b) of the Act are not relevant to these proceedings and will have no bearing on the outcome of this opposition.

19. Given the use demonstrated of the applicant's marks in the evidence, it appears as though the applicant is seeking to assert that it is the owner of an earlier unregistered right. The existence of an earlier unregistered right is only relevant where an opposition or application for invalidation under section 5(4)(a) of the Act is raised. That is, where a trade mark shall not be registered (or shall be invalidated) because its use would be contrary to law of passing off, due to the fact that an earlier unregistered right exists. For the avoidance of doubt, the fact that the applicant claims to have used its mark prior to the opponent's mark being applied for/registered, is not a defence in law to the opposition under section 5 of the Act. Tribunal Practice Notice 4/2009 explains this as follows:

*“The position with regard to defences based on use of the trade mark under attack which precedes the date of use or registration of the attacker's mark.*

4. The viability of such a defence was considered by Ms Anna Carboni, sitting as the appointed person in *Ion Associates Ltd v Philip Stainton and Another*, BL O-211-09. Ms Carboni rejected the defence as being wrong in law.

5. Users of the Intellectual Property Office are therefore reminded that defences to section 5(1) or (2) grounds based on the applicant for registration/registered proprietor owning another mark which is earlier still compared to the attacker's mark, or having used the trade mark before the attacker used or registered its mark are wrong in law. If the owner of the mark under attack has an earlier mark or right which could be used to oppose or invalidate the trade mark relied upon by the attacker, and the applicant for registration/registered proprietor wishes to invoke that earlier mark/right, the proper course is to oppose or apply to invalidate the attacker's mark."

20. As set out in the above Tribunal Practice Notice, if the applicant wanted to challenge the validity of the opponent's mark, then the correct course of action would have been to issue proceedings for invalidation. The applicant has not done so. The outcome of this opposition will, therefore, be determined after making a global assessment whilst taking into account all relevant factors and the existence of an earlier unregistered right by the applicant is not relevant to that assessment.

21. The applicant also submits as follows:

"3. As the Applicant operates in the student and estate agencies fields both the findings in *SWORDERS Trade Mark* dated 28 July 2006 (O-212-06), *Student Union Lettings Limited v Essex Student Lets Limited* [2018] EWHC 419 (IPEC) would apply that we had established a national brand."

22. As noted above, the applicant's use of the applied-for mark is not relevant in these proceedings. As the two decisions referred to above concerned different trade marks and/or different grounds, I do not consider that they are of assistance to the applicant.

## DECISION

### Section 5(2)(b): legislation and case law

23. Section 5(2)(b) of the Act reads as follows:

“(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 or association with the earlier trade mark.”

24. Section 5A of the Act states as follows:

“Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

25. 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) or 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,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

26. Given its filing date, the opponent’s mark qualifies as an earlier trade mark under the above provisions. As the earlier trade mark had not completed its registration process more than 5 years before the date of the application in issue, it is not subject to proof of use pursuant to section 6A of the Act. The opponent can, therefore, rely upon all of the services for which its mark is registered.

27. 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) (“OHIM”)*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of services**

28. The competing services are set out as follows:

The opponent's services	The applicant's first mark's services
<u>Class 36</u> Property Letting and Management Services	<u>Class 36</u> Real Estate services; Letting of student accommodation; Property Management of student accommodation.
	<b>The applicant's second mark's services</b> <u>Class 36</u> Real Estate; Letting of property; Sale of property; Property Management.

29. When making the comparison, all relevant factors relating to the services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

30. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

31. The General Court (“GC”) confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another or (vice versa):

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

32. “Real estate services” in the applicant’s first mark’s specification and “real estate” in the applicant’s second mark’s specification cover a wide range of services that include the sale or rental of residential or commercial property and property management services. Insofar as these services cover property letting and management services, they will be identical under the principle outlined in *Merici* with “property letting and management services” in the opponent’s specification. However, where the applicant’s term covers other types of real estate services, such as sales, these services will overlap in nature, in that they are both property services, user and method of use. There will also be an overlap in trade channels

in that one undertaking may offer letting and property management services and other types of real estate services. These services will, therefore, be similar to a high degree.

33. “Letting of student accommodation” and “property management of student accommodation” in the applicant’s first mark’s specification and “letting of property” and “property management” in the applicant’s second mark’s specification will all fall within the category of “property letting and management services” in the opponent’s specification. These services will therefore be identical under the principle outlined in *Meric*.

34. “Sale of property” in the applicant’s second mark’s specification does not fall within the opponent’s services, being “property letting and management services”. However, it will overlap in nature in that they are services that involve properties. They will also overlap in user and method of use. There will also be overlap in trade channels in that an undertaking who deals with letting of properties, is also likely to deal with the sale of properties. These services will therefore be similar to a high degree.

### **The average consumer and the nature of the purchasing act**

35. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ services. I must then decide the manner in which these services are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words

“average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

36. I have no submissions from either party regarding the identity of the average consumer. I consider that the average consumer for the services will, at a general level, be both members of the general public (specifically, in some cases, students) and businesses, being those looking to rent or buy properties or seek management of their existing property portfolios.

37. The services are most likely to be selected through estate agents and their online equivalents. The services will be displayed in brochures, advertisements and shop front displays, where they will be viewed and selected by the consumer. A similar process will apply to websites, where the consumer will select the services, having viewed a list of services on a webpage. The services are also likely to be featured on various social media platforms. I find that the selection process will be primarily visual, however, I do not discount that there will be an aural component in the selection of the services in the form of word of mouth recommendations or advice sought from agents.

38. The selection of the services is not a casual selection, as these services are unlikely to be low in cost. The general public, as the average consumer, will not regularly use the services, as the rental or purchase of property is not a frequent transaction. However, I do acknowledge that a business user will require the services more frequently. The selection process for both types of consumer is likely to be similar and I find that they will both pay at least a medium degree of attention to the selection of these services.

### **Distinctive character of the earlier registration**

39. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an

overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

40. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it.

41. The opponent has not pleaded that the distinctive character of its mark has been enhanced by virtue of the use made of it, nor has it filed evidence to suggest that this is the case. Consequently, I have only the inherent position to consider.

42. I must assess the inherent distinctiveness of the opponent’s mark as whole. The opponent’s mark consists of a word element and a device element. The word element is ‘Student Haus’ displayed in a slightly stylised font. ‘Student’ is displayed in blue and ‘Haus’ is displayed in pink. ‘Student’ will be given its ordinary dictionary meaning. ‘Haus’ will be seen either as a foreign language word for ‘house’ or a deliberate misspelling. In combination, and on the services for which the

opponent's mark is registered, the words will be seen by the average consumer to be allusive to services that provided student accommodation. On its own, I consider that 'Haus' has between a low and medium degree of inherent distinctive character. The addition of the word 'Student' will be seen as descriptive of the target market for the services so will contribute little to the distinctive character of the mark. As a result, I consider that the words 'Student Haus' are inherently distinctive to between a low and medium degree.

43. Above the word element sits the device element of a blue house with a pink graduation cap. While the device element will further emphasise the connection to student accommodation, it will contribute to the distinctive character of the mark, as will the use of colour. Overall, I find that the opponent's mark has a medium degree of distinctive character.

### **Comparison of marks**

44. It is clear from *Sabel v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components.

45. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

46. 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.

47. The respective trade marks are shown below:

The opponent's mark	The applicant's marks
	<p data-bbox="842 712 1369 788"><b>haus</b>    <b>Student</b></p> <p data-bbox="906 824 1300 862">("the applicant's first mark")</p> <p data-bbox="868 965 1318 1048"><b>haus</b>    sales + lettings</p> <p data-bbox="880 1084 1326 1122">("the applicant's second mark")</p>

48. The opponent submits that:

- “7. The Applicants marks, in particular mark number UK0003373641, are similar. The words used are identical and all three marks have a logo comprising both an image of a house along with a distinctive spelling of the word 'Haus'. The differences between the Applicant's marks and the Opponents mark are so insignificant that they would go unnoticed by the average customer.
8. The average customer would refer to the brands by citing its name, not by describing the figurative element. In this matter, both the Applicant's mark and Opponents mark use the word "Haus" and one of the Applicant's marks uses both the word "Student" and "Haus" in a way so

similar to the Opponents mark, which operates in the same industry, that it would clearly cause confusion to the general public.

[...]

10. Further, the spelling of "Haus" is unique and distinctive. It is not a generic spelling which will give further chance of confusion to the public.
11. The Applicant's mark is clearly similar visually, phonetically and conceptually [...]. The overall impression given by the marks, bearing in mind their distinctive and dominant components, are that they are of the same origin or economically linked.”

49. I have no submissions from the applicant regarding the similarity of the marks.

### Overall Impression

#### *The applicant's first mark*

50. The applicant's first mark consists of the words 'haus' presented in a standard grey typeface and 'Student' presented in a stylised orange typeface, separated by a small orange house device and a vertical grey line. Given its placement at the beginning of the mark and its unusual spelling, 'haus' will play the greater role in the overall impression of the applicant's first mark with 'Student' and the device elements playing a lesser role.

#### *The applicant's second mark*

51. The applicant's second mark consists of the words 'haus' and 'sales + lettings' presented in a standard grey typeface, separated by a small orange house device and a vertical grey line. Given its placement at the beginning of the mark and its unusual spelling, 'haus' will play the greater role in the overall impression of the applicant's first mark with 'sales + lettings' and the device elements playing a lesser role.

### *The opponent's mark*

52. While I am of the view that the eye is naturally drawn to the elements of a mark that can be read, I cannot discount the device element due to its size and placement within the opponent's mark. I find that the wording and the device element play an equal role in the overall impression of the opponent's mark, with the use of colour and stylisation playing a lesser role.

### Visual Comparison

#### *The applicant's first mark and the opponent's mark*

53. Visually, the marks coincide in the words 'haus' and 'student'. The marks differ in the order of the words. The colours and stylisation of the words also differ. While the marks also share a device of a house, they are presented differently. Overall, I find the marks to be visually similar to between a low and medium degree.

#### *The applicant's second mark and the opponent's mark*

54. Visually, the marks coincide in the word 'haus'. The marks differ in the presence of 'Student' in the opponent's mark and 'sales + lettings' in the applicant's second mark. The colour and presentation of the words also differ. While the marks also share a device of a house, they are presented differently. Overall, I find the marks to be visually similar to between a low degree.

### Aural Comparison

55. Neither of the marks' device elements will be pronounced. The opponent's mark consists of three syllables that will be pronounced 'STEW-DUNT-HOWSS'. This will apply to both comparisons below.

#### *The applicant's first mark and the opponent's mark*

56. The applicant's first mark will consist of three syllables that will be pronounced 'HOWSS-STEW-DUNT'. The aural components that make up the marks will be pronounced identically, however, they will differ in that they will be pronounced in a different order. Consequently, I consider them to be aurally similar to between a medium and high degree.

*The applicant's second mark and the opponent's mark*

57. The applicant's second mark consists of five syllables that will be pronounced 'HOWSS-SAYLS-AND-LETT-INGS'. The marks contain one identical syllable, being 'HOWSS'. Other than that, the marks are different. However, I do note that the similarities form half of the aural element of the opponent's mark. Overall, I find that that marks are aurally similar to between a low and medium degree.

Conceptual Comparison

*The applicant's first mark and the opponent's mark*

58. Conceptually, 'Haus' in both marks will be seen as either a foreign language word for 'house' or a deliberate misspelling. The word 'Student' will be given its ordinary dictionary meaning. Both marks will be linked to student accommodation. However, there is a conceptual difference in that the opponent's mark refers to a 'student house' whereas the applicant's first mark will be seen as an entity known as 'haus' that offers student letting services. Having said that, the average consumer is likely to see this as a play on words in the case of the opponent's mark. I therefore find that the marks are conceptually similar to between a medium and high degree.

*The applicant's second mark and the opponent's mark*

59. Conceptually, 'Haus' in both marks will be seen as either a foreign language word for 'house' or a deliberate misspelling. The opponent's mark will be linked to services that provide student accommodation whereas the applicant's second mark will be linked to services involving the sale and lettings of property more generally. While the applicant's second mark covers all types of properties, it will

also still cover student accommodation. The concept of a 'student house' in the opponent's mark and the difference this created will also apply to this comparison, as this concept is absent from the applicant's mark. Overall, I find that the marks are conceptually similar to a medium degree.

### **Likelihood of confusion**

60. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, 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 goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the services and the nature of the purchasing process. In doing so, I must be alive to the fact 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 that he has retained in his mind.

61. I have found the services to be either identical to similar to a high degree. I have found the average consumer to be either a member of the general public or a business person who will select the services primarily by visual means but I do not discount that an aural component may play a part. I have concluded that the average consumer will pay at least a medium degree of attention during the selection process of the services. I have found the opponent's mark to have a medium degree of distinctive character overall, with the word 'Haus' on its own and the combination of 'Student Haus' both having a between a low and medium degree of inherent distinctive character. In making my decision, I have borne in

mind that it is the distinctiveness of the common element which is key.<sup>15</sup> I have found that the applicant's first mark and the opponent's mark are visually similar to between a low and medium degree and aurally and conceptually similar to between a medium and high degree. I have found that the applicant's second mark and the opponent's mark are visually similar to a low degree, aurally similar to between a low and medium degree and conceptually similar to a medium degree.

62. I bear in mind the decision of the CJEU in *L'Oréal SA v OHIM*, Case C-235/05 P, in which the court confirmed that weak distinctive character of the earlier trade mark does not preclude a likelihood of confusion. Notwithstanding the principle of imperfect recollection and taking all of the above factors into account, I consider that the differences between the marks will be sufficient to prevent the marks from being mistakenly recalled or misremembered as each other. Consequently, I do not consider there to be a likelihood of direct confusion between the marks, even when they are used on services that are identical.

63. I will now consider whether there is a likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis Q.C., sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10.

"16. 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 recognized 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.'

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<sup>15</sup> *Kurt Geiger v A-List Corporate Limited*, BL O-075-13

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI”, etc.). 9 BL O/375/10 Page 15 of 16

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

64. I have borne in mind that the examples given by Mr Purvis QC are not exhaustive. Rather, they were intended to be illustrative of the general approach.<sup>16</sup>

65. I must now consider the possibility of indirect confusion and whether average consumers would believe that there is an economic connection between the marks or that they are variant marks from the same undertaking as a result of the shared common elements of the marks. Given that this opposition is aimed at two marks, it is necessary to consider the likelihood of indirect confusion separately.

*The applicant’s first mark and the opponent’s mark*

66. Taking all of the above into account, it is my view that the presence of the common misspelling or foreign language word ‘Haus’, plus the word ‘Student’, in each mark will lead the average consumer to view the marks as alternative marks being used by the same or economically linked undertakings. While the position of the word ‘Haus’ differs between the marks, I am of the view that the average consumer will

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<sup>16</sup> L.A. Sugar Limited v By Back Beat Inc, Case BL-O/375/10

overlook this. The differences between the stylisation and the device elements are likely to be seen as different marks being used by the same or economically linked undertakings. Consequently, I find that there is a likelihood of indirect confusion between the applicant's first mark and the opponent's mark on services that I have found to be identical or highly similar.

*The applicant's second mark and the opponent's mark*

67. In my view, the presence of the common misspelling or foreign language word 'Haus' will lead the average consumer to conclude that these are alternative marks being used by the same or economically linked undertakings. The words 'sales + lettings' in the applicant's second mark and 'student' in the opponent's mark will be seen as extensions of a brand provided by an undertaking named 'Haus'. For example, it is not uncommon for estate agents to target different demographics under variant marks and it is likely that the average consumer will view the marks as variant marks (one of which specialising in sales and lettings and the other focusing specifically on student accommodation). I consider that the different positioning of the word 'Haus' will be overlooked. Consequently, I find that there is a likelihood of indirect confusion between the applicant's second mark and the opponent's mark on services that I have found to be identical or highly similar.

## **CONCLUSION**

*Opposition of the applicant's first mark*

68. The opposition succeeds in its entirety and the application is refused in respect of the following services:

Class 36: Real Estate services; Letting of student accommodation; Property Management of student accommodation.

69. The opposition was not directed against the following services, for which the application can proceed to registration:

Class 36: Sale of buy to let property;

Opposition of the applicant's second mark

70. The opposition succeeds in its entirety and the application is refused in respect of the following services:

Class 36: Real Estate; Letting of property; Sale of property; Property Management.

71. The opposition was not directed against the following services, for which the applications can proceed to registration:

Class 36: Sale of Land; Sale of New Build Homes

**COSTS**

72. The opponent has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the opponent the sum of **£900** as a contribution towards the costs of proceedings. The sum is calculated as follows:

Filing notices of opposition and considering the applicant's counterstatements:	£300
Preparing written submissions in lieu:	£400
Official fee (x2):	£200
<b>Total:</b>	<b>£900</b>

73. I therefore order Haus Properties Leeds Ltd to pay Mistoria Estate Agents Limited the sum of £900. This sum is to be paid within 21 days of the expiry of the appeal

period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 21st day of October 2020**

**A COOPER**

**For the Registrar**