

O/723/19

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3318548 BY
GIDEONSUK
TO REGISTER:**



AS A TRADE MARK IN CLASSES 9, 16, 22 AND 25

AND

**IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 413646 BY
THE GIDEONS INTERNATIONAL**

BACKGROUND AND PLEADINGS

1. GideonsUK (“the applicant”) applied to register the following trade mark in the United Kingdom on 18 June 2018:



It was accepted and published in the Trade Marks Journal on 6 July 2018 in respect of the following goods:

Class 9

Electronic publications; DVD's and CD's.

Class 16

Goods made from paper and cardboard; books, cards; leaflets; posters; stationery; scriptures.

Class 22

Jute bags.

Class 25

Clothing; headgear.

2. The application was opposed on 6 September 2018 by The Gideons International (“the opponent”). The opposition is based upon sections 5(2)(b), 5(3), 5(4)(a), 3(6) and 60 of the Trade Marks Act 1994 (“the Act”). The opposition concerns all goods in the application.

3. With regards to its claim based upon sections 5(2)(b) and 5(3) of the Act, the opponent is relying upon the following Trade Marks:

| Earlier mark | Goods and services relied on |
|---|--|
| <p data-bbox="300 248 786 286">UK00000751236 (“the 236 mark”)</p>  <p data-bbox="300 607 831 696">Filing date: 23 February 1956 Registration date: 23 February 1956.</p> | <p data-bbox="874 248 1374 398"><u>Class 16</u> <i>Bibles, testaments and magazines (publications).</i></p> |
| <p data-bbox="300 719 786 757">UK00002000640 (“the 640 mark”)</p>  <p data-bbox="300 1077 831 1167">Filing date: 8 November 1994 Registration date: 20 December 1996</p> | <p data-bbox="874 719 1374 1137"><u>Class 41</u> <i>Dissemination of bibles, testaments and literature, all to individuals, hotels, schools, hospitals, penal institutions, armed forces, nurses, motels, airplanes, trains and ships; all for religious education and instruction.</i></p> |
| <p data-bbox="300 1189 831 1227">WO0000001038178 (“the 178 mark”)</p>  <p data-bbox="300 1480 847 1727">International registration date: 27 April 2010 Designation date: 7 February 2018 Date of protection of the international registration in the UK: 5 July 2018</p> | <p data-bbox="874 1189 1374 1272"><u>Class 16</u> <i>Bibles, testaments and magazines.</i></p> <p data-bbox="874 1346 1374 1928"><u>Class 41</u> <i>Dissemination of bibles, testaments, and literature to individuals, hotels, schools, universities, colleges, hospitals, penal institutions, armed forces, medical personnel, motels, airplanes, trains, steamships, attorney offices, retirement homes, assisted living facilities, and nursing homes.</i></p> |

| Earlier mark | Goods and services relied on |
|---|---|
| WO0000001225244 (“the 244 mark”) FRIENDS OF GIDEONS International registration date: 28 July 2014 Designation date: 7 February 2018 Date of protection of the international registration in the UK: 7 June 2018 | <u>Class 36</u> <i>Charitable fund raising services, namely, raising monetary and in-kind donations to support Christian ministry services and the dissemination of Bibles and Testaments.</i> |

4. Under section 5(2)(b), the opponent claims that the marks are similar, as they all contain the dominant and distinctive word element “Gideon”, and that the goods covered by the applicant’s specification are the same as, or similar to, goods and services covered by the 236, 640 and 178 marks, leading to a likelihood of confusion on the part of the public. It also claims that the charitable services of its 244 mark will commonly involve the production of the type of goods covered by the application and that consumers seeing these goods would assume they were produced by the opponent. Therefore, registration of the contested mark should be refused.

5. Additionally, or alternatively, the opponent claims that use of the applicant’s mark for all the goods covered by the application would take unfair advantage of the very high reputation of the earlier marks by “free-riding” on the international reputation of the opponent to gain an economic advantage, without the attendant marketing cost and effort employed by the opponent. It also claims that such use would cause detriment to the reputation of those marks, by eroding public trust in them. Finally, it claims that use of the applicant’s mark without due cause would dilute the capacity of the earlier marks to denote the origin of the opponent’s products and services. It could also, the opponent claims, change the economic behaviour of the relevant consumer by diverting charitable donations to the applicant. Therefore, registration of the contested mark should be refused under section 5(3) of the Act.

6. Under section 5(4)(a) of the Act, the opponent claims that use of the applicant's mark for all the goods covered by the application is liable to be prevented under the law of passing off, owing to its goodwill attached to the following signs:



FRIENDS OF GIDEONS

The opponent claims to have used these signs throughout the UK since 1949, in respect of the following goods which are also covered by the earlier marks:

Bibles and scriptures

7. Under section 3(6), the opponent claims that the trade mark should not be registered as it was filed in bad faith. It states that the applicant was once a part of the opponent's organisation but that this status was terminated following a dispute. It claims that the application was made in knowledge of the opponent's ownership of the Gideon name, and in the knowledge that the relationship between the applicant and the opponent could be about to change in such a way that the applicant would not be entitled to use the Gideon name.

8. Under section 60, the opponent claims that this was an unauthorised application by an entity that had previously been a national association within the opponent's organisation and that the applicant had knowledge of the opponent, the opponent's marks and the opponent's ownership of those marks, and their reputation.

9. The applicant filed a defence and counterstatement, denying all the grounds. It requested that the opponent provide evidence of proof of use for all the goods covered by the 236 and 178 marks, and claimed that all use of the relevant trade marks and signs within the UK had been carried out by the applicant. It stated that the dispute to which the opponent referred had arisen from the requirement that the applicant change its constitution to comply with the Equality Act 2010.

10. Both parties filed evidence in these proceedings. This will be summarised to the extent I consider necessary.

11. The opponent also filed written submissions on 25 February 2019. The evidence submitted by the applicant, in particular the witness statement of Mr William Ernest Ghinn Thomas, also includes submissions. These will not be summarised but will be referred to as and where appropriate during this decision.

12. A Hearing took place before me on 22 October 2019, with the opponent represented by Guy Tritton of Counsel, instructed by Kilburn & Strode LLP, and the applicant by Michael Brown of Alpha and Omega.

EVIDENCE

Opponent's evidence-in-chief

13. The opponent's evidence comes from Daniel Heighway, Executive Director of The Gideons International ("TGI"). It is dated 24 February 2019.

14. TGI was founded in 1899 in the US. Mr Heighway describes it as:

"... an Association of Christian business and professional men and their wives dedicated to telling people about Jesus through associating together for service, sharing personal testimony, and by providing Bibles and New Testaments in approved venues. ..."¹

¹ Paragraph 4.

15. Mr Heighway states that The Gideons International in the British Isles (“TGIBI”) was established in 1949. Initially, TGIBI depended on cash aid from TGI to operate but from 1973 it was raising sufficient donations to support itself. TGIBI was designated a National Association that year. Mr Heighway explains that:

“National Associations form their own charters, constitutions and bylaws to comply with local laws but the charters, constitutions and bylaws must include the wording of Articles 2 and 3 of the Constitution of TGI and Articles 1-11 and 13 of TGI’s bylaws. Any charters, constitutions, and bylaws created by a National Association must be approved by TGI, and a National Association must operate the Gideon ministry within the framework of the governance and management guidelines established by TGI.”²

Article 3 stipulates that membership shall consist of “business and professional men, except clergymen”.³

16. By 2018, TGIBI had 260 branches and 3094 members and 44.7m scriptures had been placed in the UK. As a National Association, TGIBI was supposed to raise close to \$3 million each year and to donate at least half of that back to TGI. Scripture receipts⁴ and amounts donated back to TGI were as follows:

| Year | Receipts (\$) | Donations to TGI (\$) |
|-------------|----------------------|------------------------------|
| 2018 | 2,503,779 | 1,817,008 |
| 2017 | 2,429,296 | 1,960,051 |
| 2016 | 4,202,428 | 3,347,660 |
| 2015 | 6,418,401 | 3,460,201 |
| 2014 | 3,005,067. | 1,920,187 |

Exhibit DH5 contains details of invoices that were paid using funds remitted by TGIBI.

² Paragraph 17.

³ See Exhibit DH25.

⁴ These are funds that are to be spent on the distribution of scriptures, rather than for any other purpose.

17. Exhibit DH28 contains a copy of a licence agreement dated 27 May 1960, granting TGIBI a licence to use TGI's trade marks in Great Britain in connection with the sale and disposal of bibles, New Testaments and other publications and with services incidental to the distribution and dissemination of such material.

18. Mr Heighway states that in July 2005 representatives from TGIBI discussed at the TGI Executive Committee the issue of women not being permitted to become full members.⁵ The minutes of the meeting report that the international organisation agreed to underwrite all legal costs incurred in challenging any future legislation that would force TGIBI to admit women as "members of the Gideons involved in all aspects of the ministry".⁶

19. Some time after the passage of the Equality Act 2010, TGIBI received an enquiry from the Charity Commission as to whether it was complying with the legislation. This is confirmed by the applicant's evidence, to which I shall come in due course. The TGI Executive Committee discussed this issue in May 2016 and agreed that, in seeking to admit women as full members, TGIBI was "pursuing actions outside the parameters of the International Constitution in regard to membership".⁷ I shall return to the subsequent correspondence between the parties later in my decision.

20. TGIBI adopted its new Constitution on 4 May 2018. On 5 July 2018, TGIBI informed TGI that it had changed its name and emblem, in a letter explaining the background to the decision on adoption. The termination of the British Isles National Association status was passed at the July 2018 International Cabinet meeting. This was confirmed in a letter of 6 August 2018, which stated that:

"The Gideons International retains full rights and ownership of the name and emblem as registered and protected by International Property law.

⁵ Wives of members may apply to become auxiliary members.

⁶ Exhibit DH13.

⁷ Exhibit DH14.

We will negotiate a transition period not to exceed 12 months for your new organisation to phase out the use of the name and trade marks of The Gideons International.

Changes will be required in the constitution of your new association, as The Gideons International will no longer serve as the parent organization and the proposed new name 'GideonsUK' does not create sufficient distinction between your new organisation and The Gideons International.”⁸

21. There is also a witness statement from Ryan Edward Pixton, a Trade Mark Attorney with Kilburn & Strode LLP, the opponent’s representatives. It is dated 25 February 2019. The witness statement is a vehicle for submitting information about GideonsUK obtained from the Charity Commission website and copies of the annual report and accounts of The Gideons International in the British Isles from 2014 to 2017 inclusive. These reports show that 795,015 scriptures were distributed in 2013, 828,491 in 2014, 821,705 in 2015 and 826,236 in 2016. From 1950 to 2016, 43.9 million scriptures had been distributed.⁹

Applicant’s evidence

22. The applicant’s evidence comes in the form of three witness statements. The first is from Andrew Robert Knight, the President of GideonsUK and former member of the International Cabinet (Board of Trustees) of TGI, and is dated 8 May 2019. The second is from William Ernest Ghinn Thomas, Vice-President of GideonsUK and former International President of TGI from 2013 to 2016, and is dated 17 April 2019. The third is from Mr Iain James Mair, Executive Director of GideonsUK, and is dated 24 April 2019. These witness statements provide historical information on activities in the UK and events surrounding the change of TGIBI’s constitution, but a few points are worth noting in more detail.

⁸ Exhibit DH23.

⁹ Exhibit REP2, page 48.

23. Mr Knight confirms that the decision to admit women on the same basis as men was made to comply with the Equality Act 2010. The changes were given legal effect through a Scheme and an Order of the Charity Commission (both dated 20 November 2017) under its powers to regulate charities in the UK. The following statement, approved by TGIBI Trustees, was submitted to TGI:

“Furthermore, this Cabinet, in its sincere desire to remain a part of the worldwide Gideon ministry, intends to continue supporting The Gideons International through prayer and financial contributions thereby providing Scriptures of supported National Associations and the International Outreach Ministry of The Gideons International, whilst continuing to pray specifically for members of the International Cabinet that, under the Lord’s hand and the guidance of the Holy Spirit, they will seek to maintain the worldwide unity of The Gideons International.”¹⁰

24. Mr Knight explains that Gideons work is carried out on a local basis, with a 70-year relationship between branches and the local community. He states that in the UK “Gideons” is seen as a national organisation, and that the UK public is not generally aware that there is an international organisation. However, he does not adduce any evidence to corroborate this statement.

25. He also says that “Friends of The Gideons” (donors and “prayer partners”) are organised locally. He continues:

“Interestingly, and very disconcertingly, over many years, the leadership of TGI has made attempts to stop TGIBI from continuing with Friends of Gideons. The reasoning being that ‘Friends’ was not an approved initiative, despite the fact that in the UK Friends regularly supply at least a third of the income of TGIBI. However recently, TGI has added ‘Friends of Gideons’ to its potential income stream and which is now shown as part of the TGI Trade Mark. This seems to me to be unfair, unethical and unreasonable.”¹¹

¹⁰ Pages 3-4.

¹¹ Pages 7-8.

27. Mr Knight closes his witness statement by reiterating that TGIBI did not want to separate from TGI. Their current intention is to carry on the work of distributing bibles and scriptures and he claims that this work is not detrimental to TGI.

28. In his witness statement, Mr Thomas refers to the requirement of National Associations to form their own constitution and bylaws to comply with local laws. He states that when TGIBI learned that it was not compliant with the Equality Act 2010, it had no option but to change its constitution. When he was International President he had, he says, wanted to set up a working party to consider the option of Associate Membership for countries that had to adopt different charters, constitutions or bylaws to comply with national or local law. This option was rejected.

Opponent's evidence-in-reply

29. The opponent's evidence in reply comes from Mr Heighway and is dated 12 July 2019. Exhibit DH1 consists of an excerpt from a book entitled *Twenty-Two Years History of The Gideons 1899-1921* that describes the creation of TGI's logo, while Exhibit DH2 contains a copy of the US design patent for the logo, granted on 10 September 2012. Exhibit DH3 comprises extracts from minutes of meetings of the International Cabinet of TGI in February 2007 and May 2007, discussing the development of a uniform donors programme throughout the ministry, following a review of initiatives, including Friends of Gideons, by several National Associations.

DECISION

Proof of Use

30. The opponent's 236 and 640 marks had been registered for more than five years on the date on which the contested application was published. They are, therefore, subject to the proof of use provisions under section 6A of the Act, and the applicant has requested such proof for the goods covered by the 236 mark. They did not request proof of use of the 640 mark. The opponent has made a statement that it has made genuine use of this mark in the UK in the relevant period for all these goods. The

relevant period for these purposes is the five years prior to and ending on the date of publication of the contested application: 7 July 2013 to 6 July 2018.

31. The opponent also requested that the opponent provide proof of use in respect of the 178 mark. For the purposes of these proceedings, the registration date for this mark is 5 July 2018, the day on which protection in the UK was granted.¹² Consequently, the proof of use provisions do not apply with respect to this mark.

32. Section 6A of the Act states that:

“(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

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

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

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

¹² The Trade Marks (International Registration) Order 2008, SI 2008 No. 2206, article 3(e).

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

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

33. The onus is on the opponent, as the proprietor of the earlier mark, to show use. Section 100 of the Act states that:

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

34. The case law on genuine use was summarised by Arnold J (as he then was) in *Walton International Limited v Verweij Fashion BV* [2018] EWHC 1608 (Ch):

“114. *The law with respect to genuine use.* The CJEU has considered what amounts to ‘genuine use’ of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundersvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816] [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case

C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F.Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

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

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

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

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

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the

sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

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

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

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

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [132].”

35. In his skeleton argument, Mr Tritton submitted that the opponent had made genuine use of the 236 mark in the UK for *Bibles* and *testaments*. At the hearing, he conceded that there was no evidence to show use for *magazines*.

36. Before considering the evidence, I shall deal with a point made by the applicant in its submissions, its skeleton argument and at the hearing. The applicant’s submission is that there is no trade in these goods, which are ordered by members of the applicant (and its predecessor) from publishers in order to be given away to individuals or placed in particular types of institution. It is the case that genuine use must be by way of real commercial exploitation of the mark, and Arnold J (as he then was) explained what this means in point (5) of his summary quoted above. In point (4), though, he also states that use by a non-profit making association can constitute genuine use and refers to the judgment of the Court of Justice of the European Union (CJEU) in *Verein Radetzky-Orden v Bundersvereinigung Kamaradschaft ‘Feldmarschall Radetsky’*, Case C-442/07. The court said:

“17. The fact that a charitable organisation does not seek to make a profit does not mean that its objective cannot be to create and, later, to preserve an outlet for its goods or services.

18. In addition, as the Radetzky-Orden admitted in its written observations submitted to the Court, paid welfare services exist. In modern society, various types of non-profit making association have sprung up which, at first sight, offer their services free but which, in reality, are financed through subsidies or receive payment in various forms.

19. It cannot be ruled out, therefore, that trade marks registered by a non-profit-making association may have a *raison d’être*, in that they protect the association against the possible use in business of identical or similar signs by third persons.

20. As long as the association in question uses the marks of which it is the proprietor to identify and promote the goods or services for which they were registered, it is making an actual use of them which constitutes 'genuine use' within the meaning of Article 12(1) of the Directive.

21. Where non-profit-making associations register as trade marks signs which they use to identify their goods or their services, they cannot be accused of not making actual use of those marks when in fact they use them for those goods or services."

37. In the light of this judgment, I find that the distribution of bibles following their purchase from publishers amounts to an effort, with the consent of the proprietor, to create or maintain a market for bibles. I shall therefore proceed with my consideration of the evidence. The earlier mark at issue is reproduced below:

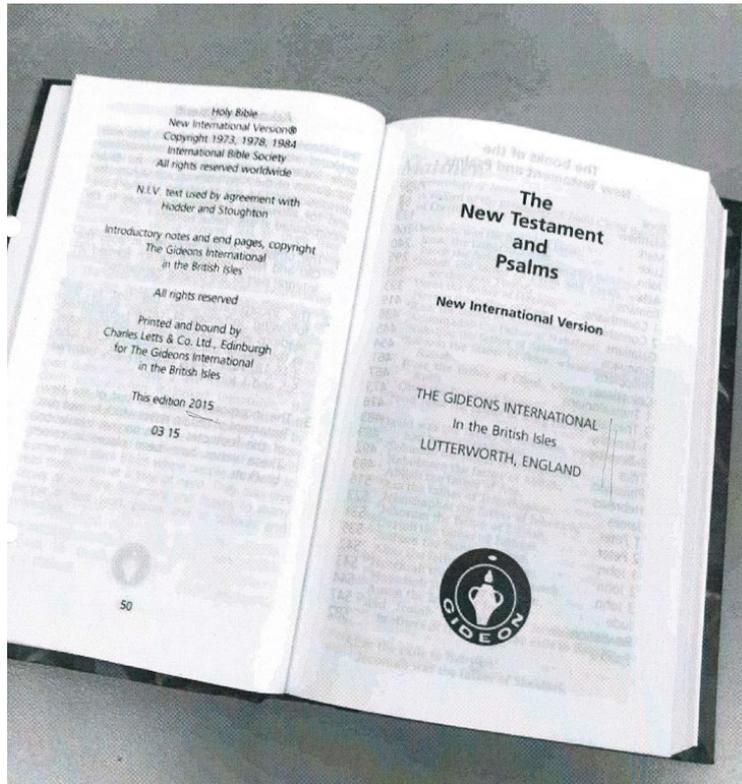


This mark is shown on the title pages of books containing the New Testament and Psalms, distributed by TGIBI, as shown in the image below which I have taken from Exhibit DH24. This edition is dated 2015, which is within the relevant period. The image shows that the origin of the books is

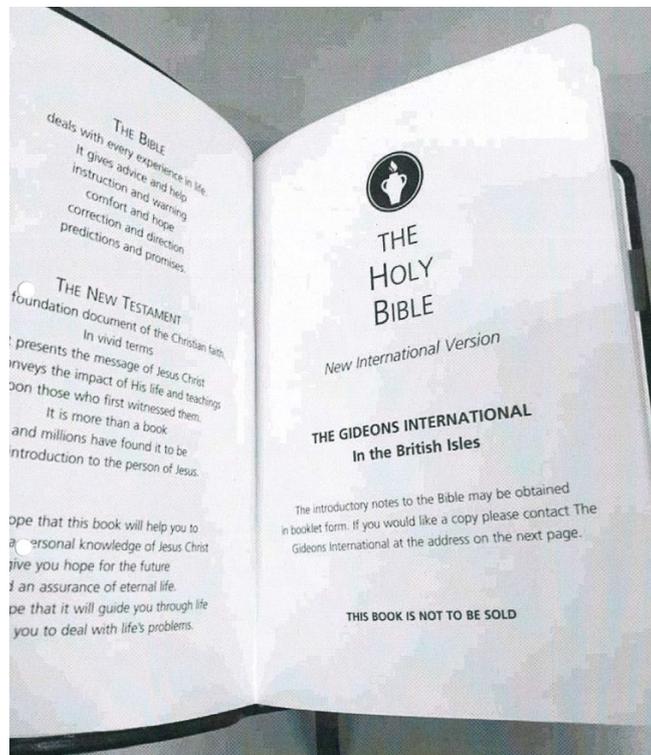
THE GIDEONS INTERNATIONAL

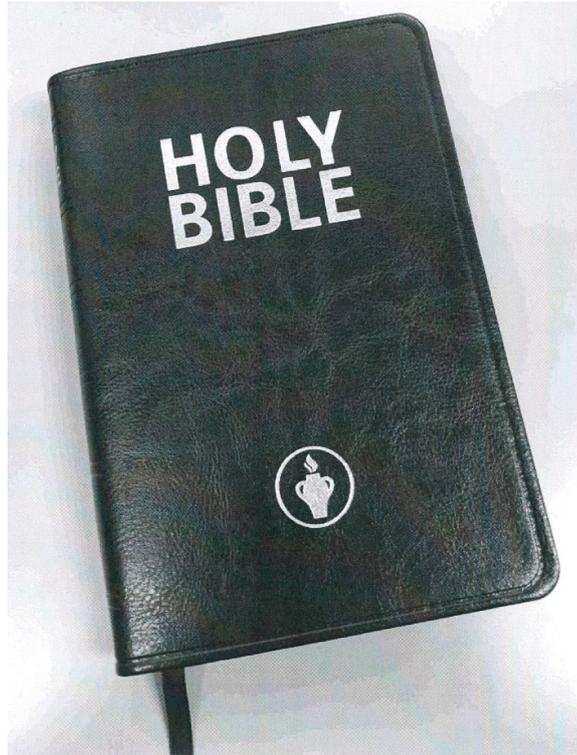
In the British Isles

The same formulation is used on all the other images in this exhibit. Exhibit DH28 contains a licence agreement authorising the use by TGIBI of the opponent's trade marks.



38. I have reproduced below images (also from Exhibit DH24) of the use of a variant of the mark on bibles:





Here the circle containing the pitcher is surrounded by a thin band, but the wider border containing the word “GIDEON” is absent. The flame is also presented differently, with a diagonal line on the left side.

39. Section 6A(4)(a) of the Act states that where the differences in the form used do not alter the distinctive character of the mark in the form in which it was registered such use is to be regarded as use of the registered mark. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold QC (as he then was), sitting as the Appointed Person, summarised the test to be applied:

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

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter’s distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the

registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all.”

40. It is settled case-law that consumers view marks as a whole. Bearing this in mind, I consider that both the pitcher device and the word “GIDEON” make a contribution to the distinctive character of the registered mark. In my view the difference in the flame does not alter the distinctive character of the registered mark. It is a small change that will largely go unnoticed. However, to my mind, the absence of the word “GIDEON” does alter the distinctive character.

41. I am left therefore with three images of the registered mark, one each from editions published in 2012, 2014 and 2015.¹³ The images only show editions of the New Testament and the Psalms. However, I recall the comments of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10:

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

42. In my view, the average consumer would describe the books shown in these images as bibles. The first of the images is outside the relevant period, although it may have been distributed during it. Taking these as examples, and noting the distribution figures I have already mentioned in paragraph 21, I find that the mark was genuinely used for *Bibles* and *testaments* during the relevant period.

¹³ Exhibit DH24, pages 271, 274 and 273 respectively.

43. The opponent may also rely on all the services in respect of which the 640 mark is registered (as the applicant did not request proof of use to be provided), and all the goods and services in respect of which the 178 and 244 marks are protected, as these marks were protected in the UK within the five years before the date on which the applicant's mark was published.

Section 5(3)

44. I find it convenient to begin with the section 5(3) ground.

45. Section 5(3) of the Act states that a trade mark which is identical with or similar to an earlier trade mark

“shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community/European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark”.

46. The relevant case law can be found in the following judgments of the CJEU: *General Motors Corp v Yplon SA* (Case C-395/97), *Intel Corporation Inc v CPM United Kingdom Ltd* (Case C-252/07), *Adidas Salomon AG v Fitnessworld Trading Ltd* (Case C-487/07), *L'Oréal SA and others v Bellure NV and others* (Case C-487/07) and *Marks and Spencer v Interflora* (Case C-323/09). The law appears to be as follows:

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered: *General Motors*, paragraph 24.

b) The trade mark for which protection is sought must be known by a significant part of that relevant public: *General Motors*, paragraph 26.

c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind: *Adidas Salomon*, paragraph 29, and *Intel*, paragraph 63.

d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods or services, the extent of the overlap between the relevant consumers for those goods or services, and the strength of the earlier mark's reputation and distinctiveness: *Intel*, paragraph 42.

e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future: *Intel*, paragraph 68. Whether this is the case must also be assessed globally, taking account of all relevant factors: *Intel*, paragraph 79.

f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods or services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark is registered, or a serious risk that this will happen in the future: *Intel*, paragraphs 76 and 77.

g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character: *Intel*, paragraph 74.

h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact on the earlier mark: *L'Oréal*, paragraph 40.

i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation: *Marks and Spencer*, paragraph 74, and the court's answer to question 1 in *L'Oréal*.

Reputation

47. In *General Motors*, the CJEU gave guidance on assessing whether a mark has a reputation:

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

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

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

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation in the Member State. In the absence of any definition of the Community provision in this respect, a trade

mark cannot be required to have a reputation ‘throughout’ the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

48. Mr Tritton submitted in his skeleton argument that the opponent’s earlier marks have a substantial reputation for bibles and their distribution in the UK. The relevant public is the general public. The evidence indicates that the marks have been widely used throughout the UK. Annual reports of TGIBI show that there were branches in all parts of the country during the relevant period.¹⁴ As I note in paragraph 16, 44.7m scriptures had been distributed in the UK between 1949 (when operations began) and 2018. Annual figures for the relevant period are quoted in paragraph 21. While some of these will have been distributed to individuals, some will have been placed in hotels, hospitals, prisons and other institutions where a single copy could be seen by multiple users. There are no figures for the amounts invested in promoting the mark, but it is clear from the evidence that promotion depends on the time spent by members in talking to individuals and groups and distributing scriptures. There is little evidence of the distribution of other literature, and it is not apparent that there is the requisite level of knowledge among the relevant public of the 244 mark. Consequently, I find that the opponent’s 236, 640 and 178 marks have a strong reputation for bibles and their distribution.

49. The applicant submits that the reputation of the marks in the UK is a result of the activity of members in the UK and not to do with TGI. I have already referred to the licence under which TGIBI was authorised to use the mark in the British Isles. I also note that the reputation is attached to the marks, which are owned by the opponent.

Link

50. My assessment of whether the public will make the required mental link between the marks must take account of all relevant factors. The factors identified by the CJEU in *Intel Corporation* are:

- the degree of similarity between the conflicting marks;

¹⁴ Exhibit REP2; see, for example, pages 27-31.

- the nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between these goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use; and
- the existence of the likelihood of confusion on the part of the public.¹⁵

Degree of similarity between the marks

51. The marks to be compared are shown in the table below:

| Earlier marks | Applied-for mark |
|--|--|
| <p>The 236 and 640 marks:</p>  <p>The 178 mark:</p>  |  |

¹⁵ Paragraph 42.

52. In *Adidas Salomon*, the CJEU held that:

“28. The condition of similarity between the mark and the sign, referred to in Article 5(2) of the Directive, requires the existence, in particular, of elements of visual, aural or conceptual similarity (see, in respect of Article 5(1)(b) of the Directive, Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23 in fine, and Case C-342/97, *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraphs 25 and 27 in fine).

29. The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).”

53. The applied-for mark consists of a circular device showing an open book. The circle is dark blue and surrounded by a thin gold border. Next to this device, in what appears to be the same shade of dark blue, is the word “GideonsUK”. “UK” will be understood to be indicating the geographic location of the organisation, so “Gideons” will be the distinctive part of the verbal component of the mark. Both elements of this mark make a contribution to its overall impression. The opponent submits that the word “Gideons” is the dominant and distinctive element. I am, however, mindful of the settled case law that states that the average consumer sees a mark as a whole and does not break it down into its components. That said, it seems to me that “Gideons” is the dominant and distinctive element for all the goods and, even if I am wrong in this, in my view it retains an independent distinctive role in the composite mark.

54. The 236 and 640 marks are in black and white. At the hearing, Mr Tritton noted that in use the device is shown in the same colours as those used by the applicant in the applied-for mark: a dark blue circle with a gold border, and details in white and red.

These are also described in an extract from the International Handbook.¹⁶ The Court of Appeal has stated on two occasions following the CJEU's judgment in *Specsavers International Healthcare Ltd and others v Asda Stores Ltd*, Case C-252/12, that registration of a trade mark in black and white covers use of the mark in colour.¹⁷ This is because colour is an implicit component of a trade mark registered in black and white (as opposed to extraneous matter). Thus a black and white version of a mark should normally be considered on the basis that it could be used in any colour. However, it is not appropriate notionally to apply complex colour arrangements to a mark registered in black and white.

55. These marks consist of a circle (registered in black) containing a (white) drawing of an ancient form of jar, or pitcher. At the top of the pitcher is the shape of a flame (also in white). This dark circle is surrounded by a thin (white) border and a thicker (black) border containing a small oval at the top and the word "GIDEON" in white capital letters at the bottom. Both device and word contribute to the overall impression of the mark, although I consider that the word is more dominant or, at least, has an independent distinctive role.

56. The 178 mark consists of the same circle and pitcher device, minus the outer thick border. Next to the device are the words "The Gideons International" in black upper and lower case letters and a standard font. The word "international" indicates the reach of the organisation and will not be seen as distinctive. The overall impression of the mark rests in the device and word "Gideons", and the word has (at least) an independent distinctive role.

57. I shall now consider the marks' visual, aural and conceptual similarity:

- **Visual similarity.** All the marks contain the word "Gideon" (236 mark) or "Gideons" (applied-for and 178 mark) and a circular device. The positioning of the words in respect to the device is the same in the applied-for and 178 marks, although in the latter the longer length of text is spread over two lines. I consider

¹⁶ Exhibit DH7, pages 197-198.

¹⁷ See *Specsavers International Healthcare Ltd and others v Asda Stores Ltd* [2014] EWCA Civ 1294, paragraph 5, and *J W Spear & Sons Ltd v Zynga, Inc* [2015] EWCA Civ 290, at paragraph 47.

that these have a medium to high degree of visual similarity. The visual similarity between the applied-for mark and the 236 mark is lower. The word in the 236 mark is placed within the device. I find these marks to have a medium degree of visual similarity.

- ***Aural similarity:*** The only element of the 236 mark that can be verbalised is “GIDEON”. This will be articulated as three syllables: “GID-EE-ON”. In my view, the 178 and applied-for marks will also be articulated as three syllables: “GID-EE-ONS”, and the geographical words will not be spoken; neither will the definite article in the 178 mark. If this is the case, the 178 and applied-for marks are aurally identical, and the 236 and applied-for marks are aurally highly similar. If I am wrong in this, it is still my view that the marks are similar. The 178 mark has 9 syllables, while the applied-for mark has five syllables, three of which are identical and placed at, or towards, the beginning of the mark. In this instance, I consider that the 178 and applied-for marks have a medium to high degree of aural similarity and the 236 and applied-for marks have a high degree of aural similarity.
- ***Conceptual similarity:*** “GIDEON” is likely to be understood by the average consumer as a name. The meaning of the name is explained in Exhibit DH3. Gideon is a figure in the Bible.¹⁸ The exhibit also states that:

“The white pitcher and red flame [of the Gideon emblem] symbolise the jars in which Gideon’s men hid their flaming torches. The dark blue is symbolic of the midnight darkness against which the torches shone. The gold circle represents the trumpets which Gideon’s men sounded.”¹⁹

It seems to me that the average consumer of the goods at issue is unlikely to grasp this meaning and may not be aware that Gideon is a Biblical figure. The average consumer will, when looking at the opponent’s marks, see a name and

¹⁸ He appears in the 6th and 7th chapters of the Book of Judges: see Exhibit DH3, page 112.

¹⁹ Exhibit DH3, page 113.

a pitcher, jar or amphora (as Mr Tritton describes it in his skeleton argument) with a flame. The average consumer will see the flame as an image of light or heat. The figurative element of the applied-for mark is clearly a book. The average consumer will interpret “Gideon” in the same way as they do in relation to the earlier marks. Taking into account all these factors, I consider that there is a medium degree of conceptual similarity between the opponent’s and the applicant’s marks, because the same name – Gideon – appears in both.

Nature of the goods and services

58. The goods and services to be compared are shown in the table below:

| Opponent’s goods and services | Applicant’s goods |
|---|--|
| <p><u>The 236 mark</u></p> <p><u>Class 16</u> Bibles and testaments.</p> | <p><u>Class 9</u> Electronic publications; DVD’s and CD’s.</p> <p><u>Class 16</u></p> |
| <p><u>The 178 mark</u></p> <p><u>Class 16</u> Bibles and testaments.</p> <p><u>Class 41</u> Dissemination of bibles and testaments to individuals, hotels, schools, universities, colleges, hospitals, penal institutions, armed forces, medical personnel, motels, airplanes, trains, steamships, attorney offices, retirement homes, assisted living facilities, and nursing homes.</p> | <p>Goods made from paper and cardboard; books, cards; leaflets; posters; stationery; scriptures.</p> <p><u>Class 22</u> Jute bags</p> <p><u>Class 25</u> Clothing; headgear.</p> |

| Opponent's goods and services | Applicant's goods |
|---|-------------------|
| <p data-bbox="204 250 408 286"><u>The 640 mark</u></p> <p data-bbox="204 360 336 396"><u>Class 41</u></p> <p data-bbox="204 416 791 730"><i>Dissemination of bibles and testaments, all to individuals, hotels, schools, hospitals, penal institutions, armed forces, nurses, motels, airplanes, trains and ships; all for religious education and instruction.</i></p> | |

59. Under section 5(3), it is of course not necessary for the goods and services to be similar, although a degree of similarity may affect whether the relevant public makes a link between the marks. The applied-for *Goods made from paper and cardboard, books and scriptures* are identical to the opponent's *bibles*, as the latter would be included in all the former categories: see *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-133/05, paragraph 29.

60. In my view, the average consumer would interpret "bibles" to mean physical copies of the text sacred to Christians. Consequently, I do not agree with Mr Tritton's submission that *Electronic publications* are identical under *Meric*. However, I do accept that, as texts are commonly available in downloadable form, or read on a CD, there is some similarity. The users and uses are the same and they will often share distribution channels. They are also in competition and complementary. The consumer might expect the same undertaking to produce a book and an electronic version to be listened to on the move. I find there to be a high degree of similarity between *Electronic publications and CDs and Bibles*.

61. I find the degree of similarity between *DVDs* and *Bibles* to be lower. The users will still be the same, but there will be an overlap, rather than identity, between the purposes. *DVDs* will tend to be purchased for entertainment or education, although it is not inconceivable that they could also be used for personal or private devotion in the same way as *Bibles*. Any degree of competition would be low. I also do not consider

that the consumer would regard them as complementary. I find there to be a low degree of similarity between *DVDs* and *Bibles*.

62. *Cards, leaflets* and *posters* are all goods made from paper or cardboard. Consumers buy cards to give to friends and family on a special occasion or simply when they wish to send a message. The users will be the same and the physical nature of the goods are similar to those of *Bibles*. They are, however, not complementary or in competition, but will share some distribution channels. I find these goods to have a low degree of similarity.

63. *Leaflets* tend to be used by organisations or individuals operating in a commercial, official or charitable capacity. Their purpose is to communicate key information quickly to the target audience or promote goods and/or services. This may include Biblical texts or religious messages, so is a degree of complementarity, although I consider this will be fairly low. I find that *leaflets* have a low degree of similarity to *Bibles*.

64. *Posters* are bought by consumers for decorative purposes or to convey information. These consumers will either be private individuals or organisations. Being made of paper, their physical nature will be similar to that of *Bibles*. As with leaflets, they may convey religious messages, and so I consider that they also have a low degree of similarity to *Bibles*.

65. The applicant has not defined *Stationery*. However, I consider the average consumer will understand this to mean writing paper and notebooks and the implements used when writing or drawing (pens, pencils, etc.) Although some of the goods have a degree of physical similarity with *Bibles* (being made of paper), the uses are different and they are neither complementary nor in competition. In my view, these goods are dissimilar, although they are not wholly remote in the way that bibles and, for example, pizza might be.

66. The remaining goods in the application are, as Mr Tritton admits, dissimilar. I accept his submission that *jute bags, clothing and headgear* are often used as “merchandise” goods.

The degree of the earlier marks' distinctive character

67. As I have already found that the average consumer is likely to have a low level of awareness of the Biblical story of Gideon, it seems to me that the earlier marks do not describe or allude to the goods at issue. The marks have a medium level of inherent distinctiveness. The name is an unusual one, and therefore relatively distinctive as names go. As I also found that the opponent had a strong reputation in the marks for bibles and their distribution, I find that the distinctiveness of the mark has been enhanced through use to a high level.

Existence of the likelihood of confusion

68. On assessing the likelihood of confusion, I must adopt a global approach and have regard to the interdependency principle that a lesser degree of similarity between the goods and/or services may be offset by a greater degree of similarity between the marks, and vice versa: see *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, paragraph 17.

69. Such a global assessment does not imply an arithmetical exercise, where the factors are given a score and the result of a calculation reveals whether or not there is a likelihood of confusion. I must keep in mind the average consumer of the goods and/or services and the nature of the purchasing process. I note that it is generally accepted that the marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture he has kept in his mind: see *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*, Case C-342/97, paragraph 27.

70. Confusion may be direct or indirect. In the case of the former, the average consumer mistakes one mark for another; in the case of the latter, the average consumer makes a connection between the two marks and assumes that the goods or services in question are from the same or economically connected undertakings: see *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, paragraph 81.3.

71. The average consumer of the goods is a member of the general public, who will select them themselves from either a shelf in a physical shop, a catalogue (or other

printed matter) or website. They will be paying an average amount of attention and the visual element of the mark will be most significant. It must be acknowledged, though, that the end user of the opponent's goods will often not have a choice about the supplier: the bibles will be in the hotel room or hospital ward, or individuals may have been invited into the school to present bibles. That said, and by analogy with pharmaceuticals, which are often selected by someone else, such as a doctor, the views of end users of the goods remains important. Even where a bible is provided free in a hotel, hospital, school or other institution, the end user will pay an average degree of attention when using the goods.

72. The average consumer of the opponent's distribution services is an organisation who may see the mark but is also likely to hear it spoken, on the phone or in person. These will be organisations that are taking a higher than average degree of care. This will particularly be the case for those organisations that deal with vulnerable individuals and where bibles are distributed in person, for example in schools.

73. Bearing in mind the imperfect recollection of the average consumer, it is my view that they are more likely to remember the word "GIDEON" or "GIDEONS" than any other element of the mark. Given the high level of distinctiveness of the opponent's marks, I find it likely that the average consumer will mistake the marks and be directly confused, even where there is a low degree of similarity between the goods.

Conclusions on Link

74. In my view, the applied-for mark will bring to mind the opponent's marks. Even where the goods are different, I find this to be the case. The consumer seeing the applied-for mark on a jute bag, item of clothing or piece of stationery would notice the mark as a whole. The fact that the applied-for mark includes the image of a book will assist in bringing the opponent's marks to mind, in the light of the goods and services for which those marks have a reputation. The assumption will be that these are goods sold to raise funds for the purchase and distribution of bibles.

Damage

Unfair advantage

75. The CJEU in *L'Oréal v Bellure* described unfair advantage in the following terms:

“The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an advantage taken unfairly by that third party of the distinctive character or the repute of the mark where that party seeks by that use to ride on the coat-tails of the mark with a reputation in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark’s image.”²⁰

76. After *L'Oréal*, the Court of Appeal in England and Wales decided in *Whirlpool Corp v Kenwood Ltd* [2009] EWCA Civ 753 that mere commercial advantage was not sufficient to render the taking of advantage unfair. Lloyd LJ (with whom Wilson and Rix LJJ agreed) stated that:

“There must be an added factor of some kind for that advantage to be categorised as unfair.”²¹

77. In his skeleton argument, Mr Tritton submits that the applicant would be taking unfair advantage of the opponent’s reputation for two reasons: first, that, under the terms of the Trade Mark Licence, they agreed to cease using any “Gideon” type name; secondly, that any reputation the applicant may have built up in the UK was as the UK chapter of the opponent and they cannot use this now that the relationship between TGI and TGIBI has been terminated.

78. Clause 6 of the Licence reads as follows:

²⁰ Paragraph 50.

²¹ Paragraph 136.

“The right and license [sic] herein granted may be cancelled and terminated on one year’s notice in writing given by either party hereto to the other party, provided, however, that such cancellation shall not release the party giving notice from fulfillment [sic] of any outstanding obligations existing as of the date of such notice, and provided further party of the second part hereby agrees to cease and desist from using the designation GIDEON and Design or any term or design confusingly similar thereto in any way, either as a designation for publications or services, or as a part of a corporate or firm name after one year from the date of such notice.”²²

79. In a letter dated 6 August 2018, TGI gave notice that the relationship would be terminated and requested a meeting to be held in the UK to agree the terms of transition, which would include “a period not to exceed 12-months for your new organization to phase out the use of the name and trademarks of The Gideons International.”²³ This letter has a date later than the date of application, so strictly speaking it is not relevant for the present purposes. However, what is relevant, is that TGIBI would have been expecting to receive it, given the terms of the licence.

80. The applicant admits that, in choosing its mark, its aim was to show “continuity of the work within the UK, yet [be] clearly different from those of TGI”.²⁴ It is clear that the applicant wishes to benefit from the power of attraction, the reputation and the prestige of the earlier marks in the UK, which the applicant believes that it has built through its activity. However, as I have already noted, the reputation is bound up in the marks, which are owned by the opponent, under whose authorisation the application had previously used them. To seek to benefit from the reputation of another constitutes unfair advantage. The new organisation would have to expend much less effort in explaining who they are and what they do. The claim of unfair advantage is made out.

Detriment to the distinctive character

81. In *Intel*, the CJEU stated that:

²² Exhibit DH28, page 285.

²³ Exhibit DH23, page 266.

²⁴ Witness statement of Mr Knight, page 4, lines 14-16.

“As regards, in particular, detriment to the distinctive character of the earlier mark, also referred to as ‘dilution’, ‘whittling away’ or ‘blurring’, such detriment is caused when that mark’s ability to identify the goods or services for which it is registered and used as coming from the proprietor of that mark is weakened, since use of the later mark leads to dispersion of the identity and hold upon the public mind of the earlier mark. This is notably the case when the earlier mark, which used to arouse immediate association with the goods and services for which it is registered, is no longer capable of doing so.”

82. In *Environmental Manufacturing LLP v OHIM*, Case C-383/12 P, the CJEU stated that:

“According to the Court’s case-law, proof that the use of the later mark is, or would be, detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered, consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future (*Intel Corporation*, paragraphs 77 and 81, and also paragraph 6 of the operative part of the judgment).”²⁵

83. Later in the same judgment it said:

“42. Admittedly, Regulation No. 207/2009 and the Court’s case-law do not require evidence to be adduced of actual detriment, but also admit the serious risk of such detriment, allowing the use of logical deductions.

43. None the less, such deductions must not be the result of mere suppositions but, as the General Court itself noted at paragraph 52 of the judgment under appeal, in citing an earlier judgment of the General Court, must be founded on ‘an analysis of the probabilities and by taking account

²⁵ Paragraph 34.

of the normal practice in the relevant commercial sector as well as all the other circumstances of the case’.”

84. Mr Tritton submits that it is self-evident that there will be detriment to the distinctiveness of the earlier marks if two unconnected organisations are using very similar marks for the distribution of bibles in the UK. In my view, both would be likely to be referred to as “Gideons”, with the result that the opponent’s marks are less able to distinguish goods and services with a particular commercial origin. This is likely to result in a change in the economic behaviour of the opponent’s UK customers, some of whom would source bibles from the applicant. The claim of detriment to distinctiveness is made out.

Detriment to the repute of the earlier mark

85. Mr Tritton’s submissions on this head of damage focus on the loss of control that the opponent would have over the use of the “Gideon” marks. Such damage is hypothetical. Ms Anna Carboni, sitting as the Appointed Person in *Unite The Union v The Unite Group Plc*, BL O/219/13, considered it to be very difficult to establish detriment to reputation simply because of the identity of the applicant or the potential that the goods and services supplied would be of low quality. As I have already found damage to distinctiveness and unfair advantage, I shall end my consideration here.

Outcome of the section 5(3) ground

86. The applicant has not pleaded that it has due cause to use its mark. Consequently, I find that registration of that for all the goods specified in the application would be contrary to section 5(3) of the Act. I will, however, briefly consider the remaining grounds.

Section 5(2)(b)

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

“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.”

88. I have already found a likelihood of confusion, but under this ground the opposition would only partially succeed, as the goods and/or services must be at least similar. I found *stationery, jute bags, clothing and headgear* to be dissimilar from the opponent’s goods and services.

Section 5(4)(a)

89. 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, or

(b) [...]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of ‘an earlier right in relation to the trade mark’.

90. The essential requirements of the law of passing off were helpfully summarised by HHJ Melissa Clarke, sitting as a deputy Judge of the High Court, in *Jadebay Limited, Noa and Nani Limited Trading as the Discount Outlet v Clarke-Coles Limited Trading as Feel Good UK* [2017] EWHC 1400 IPEC:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341 HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether ‘*a substantial number*’ of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

91. In *British Diabetic Association v Diabetic Society Ltd* [1996] FSR 1 (1995), Walker J concluded at [10] that:

“... the scope of a passing off action is wide enough to include deception of the public by one fund-raising charity in a way that tends to appropriate and so damage another fund-raising charity’s goodwill – that is, the other charity’s ‘attractive force’ (see Lord Macnaghten in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217, 233] in obtaining financial support from the public.”

92. In *MedGen Inc v Passion for Life Products Ltd*, Kevin Garnett QC, sitting as a deputy judge of the High Court, made his own summary of the law of passing off. The following points in relation to goodwill are worth highlighting:

“3. Goodwill is the benefit and advantage of a name and get-up, and is the attractive force which brings in business.

4. A passing off action is a remedy for the invasion of a right of property in the business or goodwill likely to be injured by any actionable

misrepresentation, not in the name or get-up itself. Goodwill does not exist apart from the business to which it is attached.

5. As such, goodwill is local in character. Goodwill in relation to a business carried on in the UK attaches to that business. It is nevertheless legally and factually possible for a business based overseas to acquire a goodwill in this country by the supply of its products through an agent, licensee or distributor. Whether it does so or not depends on the facts of the case, in particular, what was done and by whom. With whom do the relevant members of the public associate the name and get-up? Are they concerned with the quality and price of the product or the original source of the product?"²⁶

93. The amounts of money raised, and numbers of scriptures distributed, lead me to find that there was protectable goodwill associated with the signs in the UK by the relevant date, which is the date the application was made: 18 June 2018. It is the case that the scriptures were distributed by individuals in the UK and the examples in Exhibit DH24 show that the books were produced by printers also based in the UK. As I noted earlier, the books state that the undertaking responsible for them is:

THE GIDEONS INTERNATIONAL
In the British Isles

I agree with Mr Tritton's submission that the relevant public would interpret this as referring to the UK branch of an international organisation, which was ultimately responsible for the quality of the goods. Consequently, I find that the opponent owned the protectable UK goodwill at the relevant date.

94. Earlier in my decision, I found that the applied-for mark was similar to the opponent's 236, 640 and 178 marks. These are identical to the first two signs the opponent relies on, and which I found enjoyed a reputation. I also found that there was a likelihood of confusion where goods were similar and that, even where they were not,

²⁶ Paragraph 49.

the consumer would make a link. At least in the case of the similar goods, I find misrepresentation. In the case of the goods that are different, the use of a book as part of the applied-for mark would, in my view, make the consumer be likely to assume that there was at least a connection between the undertakings.

95. There is a risk of damage to the opponent from substitution. Individuals who might have donated money in the past may transfer their charitable giving to the applicant. The opposition would also succeed under section 5(4)(a).

Section 3(6)

96. Section 3(6) of the Act states that:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

97. The law in relation to section 3(6) of the Act was summarised by Arnold J (as he then was) in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch), as follows:

“131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C-529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which

must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also 'some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined': see *Gromax Plastics Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary

standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

'41 ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

98. At the filing date (18 June 2018) the applicant knew that it would be required to leave the international organisation and that TGI had made it clear that it would expect the applicant to avoid using the name “Gideons”. The opponent confirmed in a letter of 15 June 2018 that it intended to continue its ministry in the UK.²⁷

99. Mr Brown has stated that the applicant has no intention of preventing the opponent from continuing to distribute bibles in the UK and it appears from the evidence and submissions that the applicant genuinely believes that its mark is not sufficiently similar to be caught by the section 5 objections. Throughout these proceedings, the applicant has maintained its line that any reputation and goodwill built up has been a result of its own efforts. For example, Mr Thomas says in his witness statement:

“The population of the UK does not know of the ministry as being an international ministry but knows of it because of its local and national impact. The brand has, therefore, been built up in the UK over 70 years by the faithful actions of the UK membership with no input from International.”²⁸

100. Earlier in this decision, though, I found that, while the efforts to build the goodwill and reputation were made by the branches in the UK, the reputation attaches to the trade marks owned by the opponent, who is also the owner of the goodwill.

101. On 18 October 2017, TGI wrote to TGIBI as follows:

“If your Association has concluded that the only way forward is to admit women as full members in their own right, then I think that we should develop a plan for The Gideons International in the British Isles to disassociate from The Gideons International, choose a new name, and advise The Charity Commission accordingly. We would need to develop a protocol that would avoid confusion between your Association and The Gideons International as you engage in scripture distributions and other

²⁷ Exhibit DH21, page 262.

²⁸ Page 4, lines 21-26.

activities which would include avoiding use of the name 'Gideons', the emblem and other trade mark protected items."²⁹

102. On 16 November 2017, Mr Iain J Mair, Executive Director of TGIBI, had written to the opponent as follows:

"... should we not be able to move forward together, it would be prudent to begin to plan for the International Gideon Association and The Gideons in the British Isles to amicably part ways to the end that both can continue the work that the Lord has called us to do. However, we must be clear at this point that any discussions aimed at developing the protocol you suggest in your letter can only be conducted on the basis that The Gideons in the British Isles will continue to use the name 'Gideons' within the United Kingdom after its current relationship with the International Gideon Association comes to an end. Whilst The Gideons in the British Isles does not wish to harm Gideon activities anywhere in the rest of the world, we are nevertheless unwilling to compromise the significant goodwill and reputation that has built up in the name 'Gideons' within the UK over many years. In particular, it is clear from the various individuals and organisations that we work with that the name 'Gideons' is perceived as being indicative of and relating to the Gideon work here in the UK and not International. This, in addition to the lack of any formal arrangements and/or agreements between the International Cabinet and the British Isles as to the use of trademarks of which International is the proprietor, has the potential to result in such trademarks being found liable to mislead the public as to the origin of the materials to which they are affixed, and therefore makes such trademarks vulnerable to revocation."

103. The opponent replied on 5 February 2018:

²⁹ Exhibit DH18.

“However, in the event that you do not wish to pursue in finding an alternative solution, the terms of an amicable separation would include the following:

1. The Gideons International retains full rights and ownership of the name and emblem as protected by International Property Law.
2. The Gideons International in the British Isles will move swiftly to establish a new name and identity that distinguishes itself from any affiliation with the parent Association or worldwide body of The Gideons International. This would include removal of all identity marks from all literature, Scriptures, lapel badges, etc.
3. Access be made available to all existing members in the British Isles to determine those who may desire to transition their membership to The Gideons International.
4. Negotiate a transition period to cease and distribute current supply of Bibles and Testaments.”

104. TGIBI emailed TGI on 18 May 2018 to report on what had happened at its AGM. A copy of this email has not been adduced as evidence, but Mr Heighway’s letter of 15 June 2018 refers to it.³⁰ This letter sets out how the separation will be arranged, and includes the point that TGI retains full rights and ownership of the name and emblem (see point 1 above). In this letter, Mr Heighway confirms that it is TGI’s intention to continue its ministry in the UK. The letter is dated three days before the application was made. The applicant does not deny having received it by that date.

105. Following this exchange, I find it curious that the applicant did not appear to inform the opponent of the name it had adopted, let alone the fact that it had applied for a trade mark, when it wrote to TGI on 5 July 2018:

³⁰ Exhibit DH21.

“You will note that, as requested, we have changed our name and the emblem to show we are in some ways different to the Parent Association. Separation from TGI is not something that we in the British Isles have ever sought, and we will never willingly accept it.”³¹

106. At the hearing, Mr Brown said that the applicant had no intention to prevent the opponent from using the name Gideons, and he offered to add a disclaimer to the application to the effect that the applicant would not have exclusivity in the name “Gideons”. Mr Tritton responded that, after a recent CJEU decision:³²

“... disclaimers do not work under section 5(2). You have to consider the mark as applied for as if no disclaimers were there.”

107. The evidence is, in my view, consistent with a belief on the part of the applicant that it had some claim to use the name “Gideons”. I have found this to be a mistaken belief, but it seems to me to have been sincerely held, as does the belief that the applied-for mark would not cause confusion. The intention of the applicant was to carry on its work of distributing bibles and to maintain relationships with organisations in the local community. The applicant did not, however, inform the opponent that it had registered a trade mark. To do so before agreement had been reached between the parties may not, strictly speaking, have been dishonest given my findings, but I do consider that the omission falls short of the standards of acceptable commercial behaviour judged by ordinary standards of honest people.

108. Consequently, I find that the claim under section 3(6) succeeds.

Section 60

109. Section 60 of the Act states:

³¹ Exhibit DH22, page 265.

³² *Patent- och registreringsverket v Mats Hansson*, Case C-705/17.

“(1) The following provisions apply where an application for registration of a trade mark is made by a person who is an agent or representative of a person who is the proprietor of the mark in a Convention country.

(2) If the proprietor opposes the application, registration shall be refused.

...

(5) Subsections (2), (3) and (4) do not apply if, or to the extent that, the agent or representative justifies his action.”³³

110. In *Safariland LLC v OHIM – DEF-TEC Defense Technology GmbH (FIRST DEFENCE AEROSOL PEPPER PROJECTOR)*, Case T-262/09, the GC said that:

“60. ... under Article 8(3) of Regulation No. 207/2009, a trade mark must not be registered where an agent or representative of the proprietor of the trade mark applies for registration thereof in his own name without the proprietor’s consent, unless the agent or representative justifies his action.

61. It is apparent from the wording of that provision that, for an opposition to succeed on that basis, it is necessary, first, for the opposing party to be the proprietor of the earlier mark; secondly, for the applicant for the mark to be or to have been the agent or representative of the proprietor of the mark; thirdly, for the application to have been filed in the name of the agent or representative without the proprietor’s consent and without there being legitimate reason to justify the agent’s or representative’s action; and fourthly, for the application to relate in essence to identical or similar signs and goods. Those conditions are cumulative.”

111. The first of these conditions is clearly met. In considering the second, I am guided by the comments the GC made later in the same judgment:

³³ This section was deleted by The Trade Marks Regulations 2018 (SI 2018/825) and similar provisions inserted as section 5(6). However, as this action began before those Regulations came into force, the earlier legislation has effect.

“64. As regards the terms ‘agent’ and ‘representative’ as used in Article 8(3) of Regulation No. 207/2009, it must be found that – as is stated in the OHIM Opposition Guidelines – in cases where agents of the trade mark proprietor have filed an application without consent, those terms must be interpreted broadly, so as to cover all kinds of relationships based on a contractual arrangement under which one party is representing the interests of the other, regardless of how the contractual relationship between the proprietor or principal, on the one hand, and the applicant for the Community trade mark, on the other, is categorised. According to those guidelines, it is sufficient for the purposes of Article 8(3) of Regulation No 207/2009 that there be some agreement of commercial co-operation between the parties of a kind that gives rise to a fiduciary relationship by imposing on the trade mark applicant – whether expressly or implicitly – a general duty of trust and loyalty as regards the interests of the trade mark proprietor. Nevertheless, some kind of agreement has to exist between the parties. If the applicant acts completely independently, without having entered into any kind of relationship with the proprietor, he cannot be treated as an agent for the purposes of Article 8(3) of Regulation No 207/2009. Thus, a mere purchaser or client of the proprietor cannot be regarded as an ‘agent’ or as a ‘representative’ for the purposes of that provision, since such persons are under no special obligation of trust to the trade mark proprietor.

As regards the cessation of the contractual relationship at the time when the application for the trade mark is filed, it must be found that – as is also apparent from the abovementioned guidelines – it is not necessary for the agreement between the parties still to be in force at the time when the application for the trade mark is filed and that Article 8(3) of Regulation No 207/2009 is intended to protect the trade mark proprietor even after the cessation of the contractual relationship from which an obligation of trust derived.”

112. Given the broad interpretation of the terms “agent” and “representative”, I find that the second condition is also met. The applicant used the opponent’s mark under a

licence, the terms of which imposed obligations as to the quality of goods and the manner in which services were delivered.

113. The application for a trade mark was clearly made without the consent of the proprietor of the earlier mark and the reasons that the applicant has given for its action do not, in my mind, constitute a legitimate reason to justify the action. I have already found that the applicant believed that it had a claim on the reputation and goodwill in the UK, but I have also found that the goodwill was the opponent's. The fourth condition is that the application should relate to identical or similar signs and goods. When considering the relative grounds, I found similarity of marks and similarity of some of the goods. Consequently, I find that the section 60 opposition succeeds where the section 5(2)(b) opposition succeeds. If, however, I am wrong in this, it does not affect the overall outcome, as the opposition has fully succeeded under section 5(3).

Conclusion

114. The opposition has succeeded. The application by GideonsUK is refused.

Costs

115. The opponent has been successful and is entitled to a contribution to its costs, in line with the scale set out in Tribunal Practice Notice 2/2016. In the circumstances, I award the opponent the sum of £2500, which is calculated as follows:

Official fee for filing the notice of opposition: £200

Preparing a statement and considering the other side's statement: £400

Preparing evidence and commenting on the other side's evidence: £1200

Preparing for and attending a hearing: £700

TOTAL: £2500

116. I therefore order GideonsUK to pay The Gideons International the sum of £2500. This sum should 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 27th day of November 2019

Clare Boucher

For the Registrar,

Comptroller-General