

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATIONS

NO. 3174696 FOR 'SANSKRITI GURU' AND

3174702 FOR 'SANSKRITI GURU' (DEVICE)

IN THE NAME OF DARSHINI JOSHI

AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS NOS. 407825 AND 407871

THERE TO BY O2 WORLDWIDE LIMITED

AND IN THE APPEAL AGAINST THE DECISION OF

MR OLIVER MORRIS DATED 24 JANUARY 2018

DECISION

1. This is an appeal from a decision of Mr Oliver Morris on behalf of the Registrar, BL O/054/18, in which he rejected the oppositions to two trade mark applications in the name of Darshini Joshi ("the Applicant") which had been brought by O2 Worldwide Ltd ("the Opponent") on the basis of section 5(2)(b) of the Act. The Opponent appeals, saying that the Hearing Officer had reached a conclusion which no reasonable tribunal could have reached on the facts.

Background

1. On 14 July 2016 the Applicant applied to register two marks, the first consisted of the words SANSKRITI GURU and the second of a stylised form of those words:



2. The specifications of both marks were the same, for a variety of goods and services in Classes 9, 16, 25, and 41. See Annex A.
3. The Opponent opposed the applications on the basis of five earlier trade marks and on the basis of sections 5(2)(b) and 5(3) of the 1994 Act. The 5(3) objection was not proceeded with, and the Hearing Officer concentrated in his decision upon two of the earlier marks, namely UKTM No 3024436 GURU (where the Opponent relied upon services in Classes 35, 38, 41 and 42) and EUTM 010245942 GURU TV (where it relied upon services in Classes 9, 35, 38, 41 and 42). The relevant parts of the Opponent's specifications are extremely lengthy, and I do not think it necessary for the purposes of understanding this judgment to set them out in full. It is sufficient to note that the UK trade mark included a broad range of retail services in Class 35, and education and entertainment services (both at large and in some more specific terms) in Class 41, whilst the EUTM included a broad range of goods in Class 9, including various apparatus for recording sound or images and computer software, as well as broad retail services in Class 35 and, again, education and entertainment services in Class 41.
4. A hearing took place before the Hearing Officer on 19 October 2017, at which both parties were professionally represented. In his decision dated 24 January 2018 Mr Morris found, in summary, as follows:
 - a) the Applicant's goods in Class 9 were identical to those for which the EUTM is registered and similar to varying degrees to some of the Opponent's services in Classes 35, 41 and 42;
 - b) the Applicant's goods in Classes 16 and 25 had a medium degree of similarity to the Opponent's services in Classes 35;
 - c) the Applicant's services in Class 41 were divided into categories by the HOO and found to be identical to those for which the UK mark is registered, save for '*entertainment agency services*' which had a medium degree of similarity to them;

- d) the average consumers of all the Applicant's goods and services could include members of the public; all would be purchased with an average degree of care and attention;
- e) the word GURU would be associated not only with spiritual significance but was also likely to be understood as suggestive of expertise of some kind;
- f) the inherent distinctiveness of the earlier marks varied depending upon the goods or services in question;
- g) average consumers would fall into two categories: those to whom SANSKRITI has some meaning connected with the word Sanskrit, and those to whom it would simply appear to be an invented word;
- h) whether or not consumers attributed a meaning to SANSKRITI, the two words in the Applicant's marks "hang together as a unit;"
- i) there was a degree of visual, aural and conceptual similarity between the marks;
- j) however, there was no likelihood of confusion, direct or indirect.

5. The Opponent appealed. The Grounds of Appeal in summary claimed that the Hearing Officer had erred:

- (i) in finding two categories of "average" consumer, i.e. those who would, and those who would not, attribute some meaning to the word "SANSKRITI" and
- (ii) in assessing how the average consumer would understand GURU in relation to the various goods and services in issue. This was the central point of the appeal, as the alleged error in this respect was said to affect the assessment of the distinctiveness of the mark, the similarity of the parties' marks and the likelihood of confusion.

6. The Applicant submitted that the Grounds of Appeal complained that the Hearing Officer had made errors of principle, but did not always make clear the basis for saying so. For instance, the Hearing Officer was said to have made errors of principle in his comparison of the marks, but that part of the Grounds of Appeal merely sets out his findings on similarity, and does not identify any error. Such a lack of specificity is not

acceptable in Grounds of Appeal, in particular because it means that a Respondent does not know the case it has to meet on the appeal.

Nature of the appeal

7. This appeal is by way of review. The principles applicable on an appeal of this kind were considered in detail by Daniel Alexander QC sitting as the Appointed Person in *TT Education Ltd v Pie Corbett Consultancy Ltd* (BL O/017/17) at [14]-[52] and his conclusions were approved by Arnold J in *Apple Inc V Arcadia Trading Limited* [2017] EWHC 440 (Ch):

“(i) Appeals to the Appointed Person are limited to a review of the decision of Registrar (CPR 52.11). The Appointed Person will overturn a decision of the Registrar if, but only if, it is wrong (Patents Act 1977, CPR 52.11).

(ii) The approach required depends on the nature of decision in question (*REEF*). There is spectrum of appropriate respect for the Registrar’s determination depending on the nature of the decision. At one end of the spectrum are decisions of primary fact reached after an evaluation of oral evidence where credibility is in issue and purely discretionary decisions. Further along the spectrum are multi-factorial decisions often dependent on inferences and an analysis of documentary material (*REEF, DuPont*).

(iii) In the case of conclusions on primary facts it is only in a rare case, such as where that conclusion was one for which there was no evidence in support, which was based on a misunderstanding of the evidence, or which no reasonable judge could have reached, that the Appointed Person should interfere with it (*Re: B* and others).

(iv) In the case of a multifactorial assessment or evaluation, the Appointed Person should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions. In particular, where an Appointed Person has doubts as to whether the Registrar was right, he or she should consider with particular care whether

the decision really was wrong or whether it is just not one which the appellate court would have made in a situation where reasonable people may differ as to the outcome of such a multifactorial evaluation (*REEF, BUD, Fine & Country* and others).

(v) Situations where the Registrar's decision will be treated as wrong encompass those in which a decision is (a) unsupportable, (b) simply wrong (c) where the view expressed by the Registrar is one about which the Appointed Person is doubtful but, on balance, concludes was wrong. It is not necessary for the degree of error to be 'clearly' or 'plainly' wrong to warrant appellate interference but mere doubt about the decision will not suffice. However, in the case of a doubtful decision, if and only if, after anxious consideration, the Appointed Person adheres to his or her view that the Registrar's decision was wrong, should the appeal be allowed (*Re: B*).

(vi) The Appointed Person should not treat a decision as containing an error of principle simply because of a belief that the decision could have been better expressed. Appellate courts should not rush to find misdirections warranting reversal simply because they might have reached a different conclusion on the facts or expressed themselves differently. Moreover, in evaluating the evidence the Appointed Person is entitled to assume, absent good reason to the contrary, that the Registrar has taken all of the evidence into account. (*REEF, Henderson* and others)."

8. Further comments on the nature of an appeal to the Appointed Person were made by Mr Iain Purvis QC in *Rochester* BL O/049/17, and he said at [33]:

"... the reluctance of the Appointed Person to interfere with a decision of a Hearing Officer on likelihood of confusion is quite high for at least the following reasons:

- (i) The decision involves the consideration of a large number of factors, whose relative weight is not laid down by law but is a matter of judgment for the tribunal on the particular facts of each case

(ii) The legal test ‘likely to cause confusion amongst the average consumer’ is inherently imprecise, not least because the average consumer is not a real person.

(iii) The Hearing Officer is an experienced and well-trained tribunal, who deals with far more cases on a day-to-day basis than the Appellate tribunal.

(iv) The legal test involves a prediction as to how the public might react to the presence of two trade marks in ordinary use in trade. Any wise person who has practised in this field will have come to recognize that it is often very difficult to make such a prediction with confidence. ... Any sensible Appellate tribunal will therefore apply a healthy degree of self-doubt to its own opinion on the result of the legal test in any particular case.”

I will apply those principles in this case.

Merits of the appeal

9. In its skeleton argument, the Opponent submitted that the Hearing Officer had erred in assessing the nature of the average consumer because he failed to address all the relevant parts of the test set out at §§208-224 of *Interflora Inc v. Marks and Spencer plc* [2013] EWHC 1291 (Ch). The Opponent contended that the Hearing Officer failed to address the point as to whether there were different classes of average consumers, some who did, and others who did not, understand the meaning of Sanskrit to some extent, and also said that he should have chosen to consider the merits of the opposition by reference to the group of average consumers who do not understand the word Sanskrit. I think the Applicant was right to say that this point was inadequately pleaded in the Grounds of Appeal. Whilst it was clear that the Opponent wished to challenge the Hearing Officer’s findings about the average consumer, it was not clear that the Opponent wished to raise this particular point.
10. In any event, I am not persuaded of the merits of Opponent’s complaints about the assessment of the average consumer. First, it seems to me that the Hearing Officer did not err in identifying the average consumer in the manner suggested by Mr Justice Arnold in *Interflora*. In the passage identified by the Opponent, Mr Justice Arnold had

rejected the suggestion that there is "a rule that the use of a sign in context is deemed to convey a single meaning in law even if it is in fact understood by different people in different ways." The Hearing Officer was, therefore, entitled to find that there were two possible different classes of average consumer here, and right to consider, as he did, the impact of use of the Applicant's marks upon both such classes of consumer. Equally, I reject the submission that the Hearing Officer ought to have concentrated upon those notional average consumers who did not attribute any meaning to SANSKRITI as being more likely to be confused than those who did understand it. The Hearing Officer prudently considered the impact of the Applicant's marks upon people within both of those groups, and the likelihood that both groups would be confused, in paragraphs 52 ff. I do not consider that the Opponent has identified any mistake or error of principle in his approach to this point.

11. The principal matter considered in the course of argument at the hearing before me was the assessment of the distinctiveness of the word GURU for the various goods and services and the impact of that word upon the average consumer. In the Grounds of Appeal, the Opponent pleaded points about distinctiveness in two ways. First, it criticised the findings as to the perception of the word GURU by the average consumer, and secondly it submitted that the Hearing Officer's assessment of the inherent distinctive character of the Opponent's marks, which he held varied in degree in relation to different categories of goods and services, was "inconsistent" and in some respects arbitrary. The point about inconsistency was (so far as I can see) based upon the various synonyms for 'expert' used by the Hearing Officer. The point was not pursued at the hearing, instead the Opponent concentrated upon the question of whether the Hearing Officer had erred in his assessment of the distinctiveness of the earlier marks.
12. There was no appeal against the Hearing Officer's finding that GURU would be understood by the general public as having one of the meanings set out in paragraphs 37 and 38 of the decision. However, the main criticism levelled at the Hearing Officer was that he had treated the word GURU as descriptive rather than as distinctive, thus failing to give effect to Case C-196/11, *Formula One Licensing BV v OHIM*,

EU:C:2012:314. This was another part of the Grounds of Appeal which was not well pleaded, but I am prepared to accept that the germ of the point can be found in paragraph 7 of the Grounds.

13. The Hearing Officer dealt with the question of the distinctiveness of the earlier marks in paragraphs 36 to 42 of his decision. He said:

“36. No use having been filed, I have only the inherent characteristics of the marks to consider. Distinctiveness is not a fixed concept. A mark may be more distinctive for some goods/services than it is for others. However, given that the earlier marks are registered, they must all be treated as having some level of distinctiveness for everything covered by the registration (see, for example, Case C-196/11 P, *Formula One Licensing BV v OHIM, Global Sports Media Ltd*).

37. In class 41, the earlier mark is registered for what can collectively be described as educational and entertainment services. Ms Scott argued that the distinctiveness of the word GURU must be very low, indeed, at times her submissions appeared to suggest that the word GURU had 0% distinctiveness, a submission which is not open to her (at least in relation to O2’s GURU mark). She relied on the dictionary definition of the word, in particular the meaning of “influential teacher or popular expert”. She made reference to terms such as “management guru”. Mr Stobbs argued that the word was not apt to make the suggestive connotation that had been put forward. Even if it had some suggestiveness in, say, the field of yoga (which could be said to relate to the more spiritual meaning of the word), such suggestiveness did not transfer to other types of educational services and certainly not entertainment services.

38. The dictionary meaning underpins my own understanding of the word GURU. It is a word that will be associated not just with spiritual significance, but also with a more general application given that an expert in something will, in my experience, often be referred to as a guru. The suggestiveness the mark gives in relation to all education services is, in my view, strong. I consider that, in respect of these services, the earlier mark has a very low level of inherent distinctive character.

39. In terms of entertainment services, it is worth bearing in mind that entertainment is a broad term which includes services which can be provided/performed by leaders in a particular field. As such, whilst accepting that there is more inherent distinctiveness in relation to such services, I still consider it to have only a moderate (between low and medium) level of inherent distinctiveness.

40. The distinctiveness of the word GURU also needs to be considered for various other services. In so far as the retail services (connected with clothing, with printed matter and stationery, and with the media type goods), the inherent distinctiveness is, again, higher than that assessed already. Ms Scott suggested that for virtually anything the mark was low in distinctiveness because it is suggestive that the services are offered by an expert in the field concerned. However, for retail services, any suggestiveness is, in my view, mild. I consider there to be a medium level of inherent distinctiveness.

41. For computer programming services, I consider the suggestiveness to be much stronger given the likely desire to engage a service provider with great expertise. I consider the mark to be low in inherent distinctiveness for these services. The final service covered by the earlier mark which is worth commenting upon is the service of rental of video tapes and sound recordings. Here I believe there to be a moderate (between low and medium) level of inherent distinctive character.

42. In terms of the GURU TV mark, it is only worth commenting upon the distinctiveness in relation to its media goods in class 9. The media could contain information provided by an expert in the field. There are, therefore, reasonably strong suggestive connotations. As a whole, GURU TV has a moderate level of inherent distinctiveness, but the common element, which is key to the assessment, has a low degree.”

14. The Hearing Officer then went on to compare the parties' respective trade marks, in the course of which he made further comments as to the way in which GURU would be understood by the average consumer:

“46. In terms of the overall impression of Ms Joshi’s SANSKRITI GURU word mark, both representatives appeared to agree that some average consumers would be

aware of the word SANSKRIT and that SANSKRITI would evoke this word, whereas some average consumers would not and would, therefore, see the word SANSKRITI as purely invented with no evocative significance. For those that fall in the first camp, SANSKRITI GURU forms a unit which, whilst not 100% clear in meaning, is suggestive of an expert/teacher (GURU) who specialises in something to do with the Sanskrit language or culture. Neither word materially dominates the other.

47. For those that fall in the second camp, Mr Stobbs submitted that the two elements would be seen as separate, independently distinctive components. Whilst I understand the point, I take the view that the nature of the word GURU lends itself so easily to combination with other words that the phrase will still hang together as a unit albeit this time indicating an expert/teacher in connection with something (SANSKRITI) with which the average consumer is not familiar. The stylisation of the applied for stylised mark makes a contribution to its overall impression, but of less relative weight than the words themselves.

48. Visually, in all of the comparisons there is some degree of visual similarity given that the word GURU is common to all of the marks, albeit as the second (and shorter) word in the applied for marks. However, there are visual differences on account of: i) the presence of the word SANSKRITI at the start of the applied for marks, ii) the additional stylisation in the stylised mark of the applicant, iii) the additional difference created by the element TV in the GURU TV earlier mark. The most visually similar marks are: SANSKRITI GURU and GURU, which I assess as a moderate (between low and medium). The additional differences in the other comparisons mean that I consider the level of visual similarity to be low.

49. Aurally, the stylisation in the applied for stylised mark will not be articulated. This means that the comparison with both applied for marks with the word GURU is the same. The endings sound the same – GURU. But the additional three syllable word at the beginning of the applied for marks creates a difference. I consider there to be a moderate (between low and medium) level of aural similarity. There is a further difference in comparison to the GURU TV mark on account of the additional two syllable word at the end of the earlier mark. In comparison to the two applied for marks, I consider the aural similarity to be low.

50. Conceptually, all of the marks are suggestive of a specialist in something. This creates a degree of conceptual similarity. However, the applied for marks make specific reference to a guru in a particular (evocative) field, or a unknown field (but still something particular) if the average consumer is unaware of the word Sanskrit. I consider that this equates to only a low level of conceptual similarity when compared to GURU alone, and an even lower level when compared to GURU TV given that this has a further concept of television dedicated to gurus.”

15. The Hearing Officer directed himself correctly in paragraphs 36 and 37 that the unchallenged earlier marks must (in light of *Formula One*) be treated as having some distinctiveness. It was suggested, however, that he had only paid lip-service to the CJEU’s guidance, and had treated GURU as essentially descriptive which led him to err in finding that average consumers of both notional classes would see SANSKRITI GURU as a ‘unit.’ The Opponent also submitted that the Hearing Officer had taken too broad a brush to the assessment of the distinctiveness of its marks, and had considered them out of context, that is to say without sufficient reference to the different goods and services in its specifications, leading him conclude that GURU would be equated by the public with a number of different non-distinctive meanings. It submitted that for some entertainment services, at least, the Hearing Officer’s analysis in paragraph 39 was flawed, as some such services would have no reference at all to “leaders in a particular field.”
16. It is (of course) necessary to consider how the average consumer would understand the word GURU in the context of the relevant goods and services, bearing in mind that there was no challenge to the Hearing Officer’s findings in paragraphs 37-8 that the word GURU would be understood by consumers as meaning or alluding to either a teacher (with or without spiritual significance) or expert.
17. I was referred to the decision in *Whyte & Mackay Ltd v. Origin Wine UK Ltd (“Jura”)* [2015] EWHC 1271 (Ch) in which Mr Justice Arnold held that the word ORIGIN used in relation to wine or alcoholic drinks was of low distinctiveness, indicating either geographical or trade origin, even though the validity of the registration was not

challenged. He considered the impact of the decisions of the CJEU in *Medion* and *Bimbo* on the assessment of the likelihood of confusion where the earlier mark is of low distinctiveness, saying:

“17 I reviewed *Medion v Thomson* [2006] E.T.M.R. 13 and six subsequent cases in *Aveda Corp v Dabur India Ltd* [2013] EWHC 589 (Ch), [2013] E.T.M.R. 33 at [19]–[38]. I shall take that analysis as read, and will not repeat it here. Since then, the CJEU has given judgment in *Bimbo SA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-591/12 P) EU:C:2014:305; [2014] E.T.M.R. 41. The facts of that case and the reasoning of the General Court are summarised in *Aveda v Dabur* at [36]–[38]. The Court of Justice dismissed the applicant’s appeal, holding:

“22. The assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole (*OHIM v Shaker* EU:C:2007:333, paragraph 41).

23. The overall impression conveyed to the relevant public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components. However, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element (*OHIM v Shaker* EU:C:2007:333, paragraphs 41 and 42, and *Nestlé v OHIM* EU:C:2007:539, paragraphs 42 and 43 and the case-law cited).

24. In this connection, the Court of Justice has stated that it is possible that an earlier mark used by a third party in a composite sign that includes the name of the company of the third party retains an independent distinctive role in the composite sign. Accordingly, in order to establish the likelihood of confusion, it suffices that, on account of the earlier mark still having an independent distinctive role, the public attributes the origin of the goods or ***983** services covered by the composite sign to the owner of that mark (Case C-

120/04 *Medion* EU:C:2005:594, paragraphs 30 and 36, and order in Case C-353/09 P *Perfetti Van Melle v OHIM* EU:C:2011:73 , paragraph 36).

25. None the less, a component of a composite sign does not retain such an independent distinctive role if, together with the other component or components of the sign, that component forms a unit having a different meaning as compared with the meaning of those components taken separately (see, to that effect, order in Case C-23/09 P *ecoblue v OHIM* and *Banco Bilbao Vizcaya Argentaria* EU:C:2010:35, paragraph 47; *Becker v Harman International Industries* EU:C:2010:368, paragraphs 37 and 38; and order in *Perfetti Van Melle v OHIM* EU:C:2011:73 , paragraphs 36 and 37).

26. In the present case, the General Court found, in paragraphs 79 and 81 of the judgment under appeal, that, even if the element ‘bimbo’ were dominant in the trade mark for which registration was sought, the ‘doughnuts’ element was not negligible in the overall impression produced by that trade mark and, accordingly, the ‘doughnuts’ element had to be taken into account in the comparison of the trade marks at issue.

27. In paragraph 97 of that judgment, the General Court stated that, since the ‘doughnuts’ element is wholly meaningless for the relevant public, that element did not form, together with the other element of the sign, a unit having a different meaning as compared with the meaning of those elements taken separately. It accordingly found that the ‘doughnuts’ element still had an independent distinctive role in the trade mark for which registration was sought and had therefore to be taken into account in the global assessment of the likelihood of confusion.

28. In paragraph 100 of the judgment under appeal, the General Court held that, in the light of all factors relevant to the case, the global assessment confirmed the Board of Appeal’s conclusion that there was a likelihood of confusion.

29. Accordingly, the General Court did not conclude that there was a likelihood of confusion merely from the finding that, in the trade mark applied for, the ‘doughnuts’ element has an independent distinctive role, but based its conclusion in that regard on a global assessment that included the different

stages of the examination required under the case-law referred to in paragraphs 19 to 25 above, and in the course of which it took into account the factors of the case. It thus correctly applied Article 8(1)(b) of Regulation No 40/94 .

...

33. ... in so far as Bimbo argues that the General Court disregarded the rule that a finding that one component of a composite sign has an independent distinctive role constitutes an exception, that must be duly substantiated, to the general rule that the consumer normally perceives a trade mark as a whole, it should be pointed out that the purpose of examining whether any of the components of a composite sign has an independent distinctive role is to determine which of those components will be perceived by the target public.

34. Indeed, as the Advocate General observed in points 25 and 26 of his Opinion, 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.

35. The determination of which components of a composite sign contribute to the overall impression made on the target public by that sign is to be undertaken before the global assessment of the likelihood of confusion of the signs at issue. Such an assessment must be based on the overall impression produced by the trade marks at issue, since the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details, as has been stated in paragraph 21 above. Therefore, this does not involve an exception, that must be duly substantiated, to that general rule.

36. Moreover, the individual assessment of each sign, as required by the settled case-law of the Court of Justice, must be made in the light of the particular circumstances of the case and cannot therefore be regarded as being subject to general presumptions. As the Advocate General observed in point 24 of his Opinion, it is clear, in particular, from the case-law subsequent

to *Medion* (EU:C:2005:594), that the Court of Justice did not introduce, in that judgment, a derogation from the principles governing the assessment of the likelihood of confusion.”

18 The judgment in *Bimbo* [2014] E.T.M.R. 41 confirms that the principle established in *Medion v Thomson* [2006] E.T.M.R. 13 is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks—visually, aurally and conceptually—as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

18. It is clear that the guidance of the CJEU does not preclude a finding that a mark, the validity of which has not been challenged, does not have a *high* level of distinctiveness. In *Jura*, Arnold J decided that the average consumer would understand the word ORIGIN as referring to the geographical origin or trade origin of the goods (various beverages), and ORIGIN therefore had only the minimal degree of distinctive character necessary for it to be validly registered. It seems to me, especially from paragraph 37 of the decision under appeal, that the Hearing Officer had this point firmly in mind.

19. The Opponent contended that the Hearing Officer had erred in the level of inherent distinctiveness he attributed to GURU in relation to the various goods and services. The Hearing Officer was criticised for saying at various points that GURU was suggestive or indicative of a teacher etc, but I do not consider that the phraseology indicates that the Hearing Officer was treating GURU as merely descriptive at any point. He considered its distinctiveness for each category of goods/services separately, and I do not consider that the Opponent is right to suggest that at any point he treated GURU or GURU TV as descriptive rather than as having at least the minimum level of distinctiveness necessary for registration. Mr Stobbs suggested that the Opponent's best case in this respect lay in the Hearing Officer's analysis of the level of distinctiveness in relation to entertainment services at large. In paragraph 39, the Hearing Officer noted the breadth of the term "entertainment." He found that GURU would have some meaning in relation to such services because they could or would be provided by leaders in their field, and concluded that GURU had moderate distinctiveness for entertainment services across the board. Mr Stobbs submitted that this was wrong, as GURU would be highly distinctive for, say, entertainment services consisting of a light entertainment show featuring country music or a sitcom like 'EastEnders.' I have given careful consideration to this point, and whilst I see the force of it, it seems to me that the Hearing Officer's reasoning is not affected by it, for whatever the subject or content of the entertainment service, GURU could be seen as having some reference to the people providing the service. In my judgment, the Opponent has not, therefore, identified any error in this part of the Hearing Officer's decision.

20. The Opponent also criticised the Hearing Officer for finding that the average consumer would see SANSKRITI GURU as a unit, so that GURU did not have an “independent distinctive role” in the mark. This point would have flowed from a finding that GURU was more distinctive than the Hearing Officer thought, but was raised even on the basis of the low to moderate levels of distinctiveness that he found.
21. In *Jura*, Arnold J held that in the light of the low distinctive character of ORIGIN, the expression JURA ORIGIN would be understood as a unit by the average consumer, meaning that the goods originated from a producer called JURA. Accordingly, the word ORIGIN did not have an independent distinctive role in the JURA ORIGIN mark. Mr Stobbs, for the Opponent, submitted that *Jura* was wrongly decided, in the light of *Formula One*, because it treated the earlier mark as descriptive, and that the Hearing Officer here erred first in treating GURU as descriptive, rather than distinctive, but also in finding that SANSKRITI GURU would be seen as a unit.
22. I do not agree with the criticism of *Jura*. It reflects the reality that some marks have greater inherent distinctiveness than others, which may have an impact upon how the average consumer will perceive such marks when forming part of a composite mark, and especially when combined with other, more distinctive elements. The point was helpfully considered by Professor Phillip Johnson sitting as the Appointed Person in O/385/18, *BE:FIT*, 24 June 2018:

“8. Mr Newell’s submission on the first ground falls into two parts, but both are basically grounded on the case law originating with *C-120/04 Medion v Thomson Multimedia Sales* [2005] ECR I-8551 and *C-591/12P Bimbo SA v OHIM* ECLI:EU:C:2014:305 which deals with composite marks where one element of the later mark has independent distinctive character.

9. Unfortunately, parties too often see *Medion* as authority for the proposition that if a composite mark includes an earlier trade mark then the comparison should be between just the common element. In simple terms if the earlier mark (X) is included in the composite mark X+Y then the comparison can be between two identical (or very similar) X’s and Y can be ignored. Put another way, if the

later mark contains the earlier mark there is no need to find a likelihood of confusion. This is not what *Medion* held.

10. In *Medion* the Court of Justice was being asked whether the German 'Prägetheorie' was appropriate in relation to the assessment of such composite marks. In essence, this theory meant that only where the common component (X) was dominant in the composite mark (X+Y) could there be a likelihood of confusion. Conversely, if the common element was not dominant there could not be a likelihood of confusion. The Court of Justice rejected this theory. Paragraphs 30 and 31 are particularly relevant:

However, beyond the usual case where the average consumer perceives a mark as a whole, and notwithstanding that the overall impression may be dominated by one or more components of a composite mark, it is quite possible that in a particular case an earlier mark used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element.

In such a case the overall impression produced by the composite sign may lead the public to believe that the goods or services at issue derive, at the very least, from companies which are linked economically, in which case the likelihood of confusion must be held to be established.

11. Accordingly, the Court of Justice was rejecting the 'Prägetheorie' and accepting that confusion *could* result where the common element played an independent distinctive role (even though it was not dominant). It was not saying that if the common element (X) plays an independent distinctive role then the common elements can simply be compared, putting aside the need for a global comparison of the whole mark. The approach is much more nuanced, as the Court of Justice explained in *Bimbo* at paragraph 24:

In this connection, the Court of Justice has stated that it is possible that an earlier mark used by a third party in a composite sign that includes the name of the company of the third party retains an independent distinctive role in the composite sign. Accordingly, in order to establish the likelihood of confusion, it suffices that, on account of the earlier mark still

having an independent distinctive role, the public attributes the origin of the goods or services covered by the composite sign to the owner of that mark...

And it continued at paragraph 29:

Accordingly, the General Court did not conclude that there was a likelihood of confusion merely from the finding that, in the trade mark applied for, the 'doughnuts' element has an independent distinctive role, but based its conclusion in that regard on a global assessment that included the different stages of the examination required under the case-law referred to in paragraphs 19 to 25 above, and in the course of which it took into account the factors of the case. It thus correctly applied Article 8(1)(b) of Regulation No 40/94.

12. In short, even after a finding that the earlier mark is a common element in a composite mark, and that it has an independent distinctive character, it is still necessary to consider whether consumers would think that there was a common origin leading to a likelihood of confusion (see *Whyte and MacKay Ltd v Origin Wine UK Ltd* [2015] EWHC 1271 (Ch) at paragraph 21 per Arnold J). Expressing what *Medion* means in a negative fashion may make clearer what it is really about: if the common element is not very distinctive then it will not play an independent distinctive role in the composite mark and so the average consumer will give it less attention, meaning that the other elements of the composite of the mark will make it unlikely that there would be any likelihood of confusion.
13. Essentially, *Medion* is a very structured way of addressing whether the use of the composite mark would cause "indirect confusion" in the mind of the average consumer, as explained by Iain Purvis QC in *LA Sugar* (O/375/10) paragraph 16:

... Indirect confusion ... 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”.

14. I accordingly agree with the assessment of Professors Annette Kur and Martin Senftleben, *European Trade Mark Law: A Commentary* (OUP 2017) at [4.342]:
...The implications of *Medion* should therefore not be overestimated: rather than establishing a stable precedence, it demonstrates the unwillingness of the CJEU to accept any pre-established theories or precepts that might limit the freedom of case-by-case analysis.
15. In short, *Medion* does not create a shortcut to concluding there is a likelihood of confusion where there is a common element (the house mark X) in a composite mark X + Y; rather, it rejects a shortcut going the other way (Prägetheorie). The test, as is clear from *Bimbo*, requires a global assessment of all the factors to assess whether there is a likelihood of confusion (see *Whyte and MacKay Ltd* at paragraph 21).”
23. Here, the Opponent did not suggest that *Medion* created such a shortcut, and accepted that for *Medion* to apply the earlier mark needs to have some independent distinctive role in the later mark. It also accepted that if the later mark would be seen as a unit, it would be hard to say that GURU retained an independent distinctive role in it. Instead, it submitted that the Hearing Officer had erred in following *Jura* and finding that SANSKRITI GURU would be seen as a unit by the average consumer, especially an average consumer ignorant of the meaning of Sanskrit. It submitted that such a consumer could not possibly see the two words of the Applicant’s mark as a composite whole – the words could not “hang together” - and so GURU would have an independent distinctive role in the later mark. The Opponent complained that the Hearing Officer had failed to give adequate reasons for finding to the contrary.
24. I disagree. I consider that the Hearing Officer did give adequate reasons for his views in paragraphs 46 and 47, giving due weight in accordance with the guidance in *Bimbo* to the meaning of the word GURU and the impact of SANSKRITI on different classes of

consumer. On this point it seems to me that the Opponent is really asking me to substitute its view of whether GURU plays an independent role in the later mark for the Hearing Officer's view, and was inviting me to disagree with him because it does so. This does not seem to me to be a step which I could properly take on an appeal of this nature. The Opponent asserted that someone who did not understand SANSKRITI could not possibly see the later mark as a unit, but it does not seem to me that the fact that one element is not known to have a meaning would preclude it from being seen as a unit with another element of the mark which is understood. That was, after all, the position found by Arnold J in *Jura*. In my judgment the Hearing Officer's detailed findings on this point, considered from the viewpoint of both classes of average consumer, were findings which it was open for him to reach. I do not consider that there is any error in that part of his decision.

25. The Opponent also contended that in comparing the parties' marks the Hearing Officer treated GURU as of negligible distinctiveness, instead of giving proper weight to that element of the Applicant's marks. I do not accept that the Hearing Officer erred in this way in the light of paragraphs 48-58 of the decision, where he carefully compared the marks and considered the likelihood of confusion by reference to the varying levels of distinctiveness he had found for the different categories of goods and services. At no point does it seem to me that he treated GURU as a negligible element of the later marks.
26. In any event, the Hearing Officer also considered at paragraph 55 the impact of SANSKRITI GURU being seen (by consumers who did not understand SANSKRITI) not as a unit, but as two separate elements. His view was that SANSKRITI so dominates the Applicant's mark that there would be no likelihood of confusion, direct or indirect. Again, I that seems to me to be a conclusion open to the Hearing Officer in the light of *Medion*. Even had I agreed with the Opponent on the various points of criticism of the decision, in my judgment there are no grounds on which I could set aside these alternative findings.
27. For all of these reasons, the appeal is rejected.

28. In the circumstances, the Opponent must make a contribution to the Applicant's costs of the appeal. I will order it to pay the Applicant £1800 in respect of the costs of the appeal, to be paid together with the costs ordered by the Hearing Officer by 5 pm on 21 January 2019.
29. Lastly, I apologise to the parties for the length of time I have taken to produce this judgment.

Amanda Michaels
The Appointed Person
24 December 2018

MR JULIUS STOBBS of Stobbs IP appeared on behalf of the Opponent

MR JAMIE MUIR WOOD of counsel appeared on behalf of the Applicant

Annex A

Applicant's goods and services:

Class 9: Pre-recorded cd's, video tapes, laser disks and dvd's; Video and audio recordings; Computer programs.

Class 16: Printed matter; paper; stationery; tickets, printed cards, labels, tags, tokens, booklets, catalogues, pens, pencils; posters; books, teaching materials.

Class 25: Clothing; footwear; headgear; Dance clothing, warm-up suits, bodysuits, leotards, tights, cover-ups, leggings, leg warmers; headwear, hats, caps, berets, toques, visors, headbands, yoga clothing; bandanas; footwear, casual shoes, dance shoes, slippers; Indian clothing and costumes.

Class 41: Education; providing of training; entertainment; sporting and cultural activities; Education academy services for teaching acting; Education services related to the arts; Education services relating to music; Education services relating to vocational training; Educational services for the dramatic arts; Entertainment in the nature of theatre productions; Entertainment agency services; Entertainment by means of concerts; Entertainment by means of theatre productions; Entertainment in the form of live musical performances; Entertainment in the form of recorded music; Entertainment services in the form of concert performances. training in performing arts and public speaking; artistic direction of performing artists; production of shows; tutoring; training services relating to speech; performing of music and singing; provision of cultural activities; presentation of live performances; providing electronic online publications (non-downloadable); provision of seminars, workshops and classes relating to performing arts and public speaking; Educational

and training services; conducting classes, seminars, lectures and workshops for professional development of instructors in the field of dance; educational and Page 3 of 28 training services; conducting dance, fitness, aerobics and exercise classes, courses and workshops; choreography of music and dance programs for others, for instruction, fitness and entertainment purposes; organization, production, management, sponsorship, distribution and presentation of music and dance competitions and performances; provision of theatre summer school; performing arts tuition for children and young adults; part-time training in performing arts for young people; provision of acting lessons; provision of dance classes; provision of singing lessons; provision teacher training in the field of performing arts; theatre production services; direction of theatre performances, including musicals and dance shows; provision of theatre facilities; establishment of a purpose built theatre for children and young people; ticket booking and reservation services; organisation of talent competitions and shows; providing on-line (non-downloadable) information in relation to all of the aforesaid; languages teaching and classes; tabla teaching and classes; yoga teaching and classes; organisation of musical shows, dramas and cultural events; production and presentation of shows and live performances; information and advisory services related to all the aforesaid services; information relating to entertainment provided on-line from a computer database or the Internet; publication services; information, consultancy and advisory services relating to all the aforesaid services.