

Neutral Citation Number: [2023] EWHC 436 (Ch)

Case No: CH-2022-000038

IN THE HIGH COURT OF JUSTICE CHANCERY DIVISION (APPEAL FROM THE UNITED KINGDOM INTELLECTUAL PROPERTY OFFICE, TRADE MARKS REGISTRY)

Rolls Building Fetter Lane London, EC4A 1NL

3 March 2023

Before :

MR JUSTICE RICHARDS

Between :

INSTAGRAM, LLC

Appellant

- and –

META 404 LIMITED

Respondent

Jeremy Reed KC (instructed by D Young & Co LLP) for the Claimants The Respondent in person

Hearing date: 9 February 2023

Approved Judgment

I direct that no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic.

This judgment was handed down remotely at 10am on 03 March 2023 by circulation to the parties or their representatives by email and by release to the National Archives.

Judge Jonathan Richards:

Mr Justice Richards:

- 1. The appellant company ("Instagram") is well known as a provider of a photo/video sharing service and social media network. Instagram appeals against a decision of George Salthouse, a hearing officer of the UK Intellectual Property Office (the "Hearing Officer"), made on 25 January 2022 (the "Decision"). By the Decision the Hearing Officer decided to register the word mark "Soundgram" as a trade mark (the "Soundgram Mark") in Class 38 notwithstanding Instagram's opposition.
- 2. EE&T Limited ("EE&T") was the applicant before the Hearing Officer and the Soundgram Mark was initially registered in EE&T's name. However, on 15 February 2022 EE&T assigned the Soundgram Mark to Meta 404 Limited. Both parties were agreed that Meta 404 Limited should be substituted as respondent to Instagram's appeal under CPR 19.2(4). I made an order accordingly at the beginning of the hearing.

The decision of the Hearing Officer

- 3. It is not necessary to set out the entirety of the Hearing Officer's findings and I therefore summarise them only as necessary to put into context Instagram's grounds of appeal. In the remainder of this decision, references to numbers in square brackets are to paragraphs of the Decision unless I specify otherwise.
- 4. The filing date for the application to register the Soundgram Mark was 28 July 2020. The specification for the Soundgram Mark covered various services within Class 38 such as the "electronic transmission of streamed media content" which included pictures, audio and user-generated content.
- 5. Instagram was the proprietor of a UK registered trade mark numbered UK00003123325 ("INSTAGRAM") that was registered on 15 January 2016. Instagram was also the proprietor of an EU trade mark number 017632729 ("GRAM") registered on 23 March 2019. Both of those marks are word marks. Instagram based its opposition on those two marks (together the "Instagram Marks") relying on ss5(2)(b) and 5(3) of the Trade Marks Act 1994 (the "Act") which provide, so far as material, as follows:

Relative grounds for refusal of registration.

- •••
- (2) 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.

- (3) A trade mark which—
 - (a) is identical with or similar to an earlier trade mark, and

...

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom 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.

(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.

6. It is common ground that the INSTAGRAM and GRAM marks were "earlier trade marks" for the purposes of s5(2)(b) and s5(3).

The Hearing Officer's conclusions on s5(2)(b)

- 7. Instagram relied on both Instagram Marks for the purposes of its opposition under s5(2)(b). There is no challenge to the finding of the Hearing Officer ([28] to [32]) that the specifications for the Instagram Marks were "identical" to that of the Soundgram Mark.
- 8. The focus in the appeal against the Hearing Officer's decision on s5(2)(b) is as to his evaluative conclusions as to (i) the degree of "similarity" between the Instagram Marks on the one hand and the Soundgram Mark on the other and (ii) the existence or otherwise of a "likelihood of confusion". Those issues themselves rely on other evaluative conclusions as to the characteristics of the average consumer and the distinctiveness (whether inherent or acquired) of the Instagram Marks which Instagram also challenges.
- 9. At [16] and [17], the Hearing Officer analysed the characteristics of the "average consumer" of the respective parties' goods and services and the manner in which that average consumer would make purchasing decisions. The Hearing Officer concluded that the average consumer would be the "general public including businesses". He concluded that the average consumer would pay "above average" attention to their purchase and explained that conclusion as follows:

The services sought to be registered are, broadly speaking, telecommunications services. In my opinion, the average consumer for these services will be the general public including businesses. Turning now to the level of attention the average consumer will display when selecting the services, I accept that, for the most part, the cost of the services will vary considerably, but bearing in mind that the average consumer will wish to ensure they are selecting the correct type of service which works with their phone and other hardware, they will pay an above average level of attention when selecting the services so as to ensure they meet their criteria. I therefore find that relevant average consumers will pay an above average degree of attention when selecting the services at issue. The services in question are likely to be selected from brochures or advertisements, on-line and in person at premises such as high street shops. Some may be self-selected or purchased on-line or by phone with little if any discussion with the provider. However, some may well be purchased only after technical assistance is provided which will require a discussion to determine the precise nature of the service required. Considered overall, the selection process is likely to be, initially, predominantly a visual one, although I accept that aural considerations will play a role in the selection process.

10. At [18] to [23], the Hearing Officer considered the similarity of the Instagram Marks to the Soundgram Mark. At [22], he considered the INSTAGRAM mark. He concluded that it was similar to the Soundgram Mark to a low degree. He noted that both marks ended with the suffix "gram" but that the first five letters of the two marks were completely different, concluding (with the emphasis being that of the Hearing Officer):

Visually and aurally they have identical endings but completely different beginnings and so must be considered to be similar to a low degree. To the best of my knowledge neither has any meaning and so there cannot be a conceptual comparison. Overall the marks are similar to a low degree.

- 11. At [23], the Hearing Officer considered the similarity of the GRAM mark to the Soundgram Mark. Instagram had, in its submissions to the Hearing Officer, placed emphasis on the proposition that the word "gram" had, at the very least, an average level of inherent distinctiveness for the type of telecommunication services that were at issue since "gram" did not describe, or allude to, telecoms services. Instagram went further, arguing that the GRAM mark had a high degree of acquired distinctiveness. It pointed, for example, to an edition of the Cambridge English Dictionary and the online Urban Dictionary (the "Dictionary Evidence") that gave a meaning for the noun "gram" as referring either to the Instagram social media service, or to a photograph or post put on the Instagram social media platform. It bolstered that case, by putting forward evidence of the word "gram" being used in the media, on its own, as a badge of origin to describe the Instagram platform specifically rather than social media platforms generally. A flavour of that evidence (the "Media Evidence") can be seen from just three items on which Instagram relied:
 - i) In 2017, Craig David MBE released a song called "For the Gram" described in an online Vibe post as involving him chanting "about his Instagram activities and [describing] all the etiquette involved in producing the best pics for Instagram".
 - ii) On 19 February 2020, the Sun newspaper published an online article under the headline "FORE THE GRAM The 15 most Instagrammed courses in the world ... and you can play on one for just £50".

- iii) A (computer generated) transcript from the Graham Norton Show indicated that one of the guests had said that a drawing made by his 3-year-old daughter will "go on the gram" which was said to be a plain reference to Instagram.
- 12. The Hearing Officer referred to this evidence at [8]. He expressed no conclusions in that paragraph, although he appears to have had some reservations about aspects of it stating, for example, that the extract from the Cambridge English Dictionary was "undated" and that the transcript from the Graham Norton Show was accompanied by a "warning" that, being computer generated, its text "will vary in accuracy due to speaker dialect and audio quality issues".
- 13. [23] of the Decision was concerned with an assessment of the similarity of the GRAM mark and the Soundgram Mark. However, that paragraph also contains some assessment relevant to Instagram's case on "distinctiveness":

23 ... Conceptually the word GRAM on its own will be seen by most people to be a reference to weight. The opponent contended that its mark will be viewed as the shortened version of INSTAGRAM but I find the evidence surrounding this contention to be far from convincing. Although it appears in an on-line dictionary the exhibit showing the entry was not dated and nor was the country of origin obvious. The few instances provided in the evidence also mention INSTAGRAM thereby "explaining" the shortened version. The word GRAM is often used as the second element of a mark to refer to a message. Terms like "telegram" mean a message relied by telegraph wires, radiogram initially referred to a message conveyed by radio waves, although later came to be used as a description of a radio and gramophone combined in a single item of furniture complete with built in speakers. The "message" part then evolved with Candygrams, Kissograms and Strippergrams all providing a "treat" with a message to say who it was from. The average consumer has therefore been accustomed to seeing the word GRAM used in this fashion for decades.

- 14. The Hearing Officer's overall conclusion was that the GRAM mark and the Soundgram Mark were similar only to a low degree.
- 15. The conclusions that I have summarised informed the Hearing Officer's later conclusions. At [24] to [27], the Hearing Officer considered the "distinctive character" of the INSTAGRAM and GRAM marks. There is no challenge to the <u>overall</u> finding at [26] that the INSTAGRAM mark had a medium to high level of inherent distinctiveness and can benefit from enhanced distinctiveness through the considerable use of that mark (although Instagram is critical of the process of reasoning that led to that conclusion). However, Instagram does criticise the Hearing Officer's conclusion at [27] on "distinctiveness", that was founded on the same process of reasoning as that summarised in paragraph 13:

Turning to the opponent's GRAM mark, this is a well-known dictionary word meaning a measure of weight. It is also known for being used in conjunction with other words where it means "message", the word "telegram" probably being the best-known example. The mark has a low degree of inherent distinctiveness. The opponent contends that the term has become well known as a shorthand version of its Instagram mark. Earlier in this decision I have dismissed this submission and provided my reasoning. In my opinion, the mark GRAM cannot benefit from enhanced distinctiveness through use.

- 16. Those findings underpinned the Hearing Officer's overall conclusion on s5(2)(b) which are set out at [38] and [39]. In essence, the Hearing Officer concluded that the differences between the GRAM and INSTAGRAM marks on the one hand and the Soundgram Mark on the other were so great that, even allowing for the "concept of imperfect recollection" and the significant reputation of the mark INSTAGRAM, there was no likelihood of consumers being confused, directly or indirectly, into believing that relevant services sold under the Soundgram Mark would be those of Instagram or an undertaking linked to Instagram.
- 17. It followed from those findings that the Hearing Officer dismissed Instagram's opposition under s5(2)(b).

The Hearing Officer's conclusions under s5(3)

- 18. Instagram relied only on the INSTAGRAM mark for the purposes of its opposition under s5(3). The Hearing Officer directed himself on the law at [41] to [44] in terms that are not challenged. He noted that the ground of opposition in s5(3) could not be made out unless the Soundgram Mark "calls to mind" the earlier INSTAGRAM mark. The Hearing Officer noted that this condition was necessary, but not sufficient but, since he concluded that it was not satisfied, decided that the ground of opposition under s5(3) failed.
- 19. At [42], the Hearing Officer noted that the relevant date for the opposition under s5(3) was 28 July 2020 and that, at that date, Instagram had "reputation in its mark INSTAGRAM in relation to its renowned photo/video sharing and editing services, software application and social network of the same name". At [45], the Hearing Officer set out his conclusion:

The fact that the opponent's reputation is in the services identical to those which are sought to be registered by the applicant is a factor to be taken into account. Earlier in this decision I determined that the opponent's mark INSTAGRAM was similar to the mark in suit to a low degree. The only point of similarity is the element GRAM at the end of each mark which is of low distinctiveness as all it conveys is that the mark involves a messaging service such as a Telegram or kissogram etc. To my mind the marks in suit will not form a link as they are so different that they do not rise even to the "bringing to mind" stage. The ground of opposition under section 5(3) fails.

Instagram's grounds of appeal

20. Instagram appeals against the Decision on the following grounds:

- i) Ground 1 The Hearing Officer erred in his assessment of the distinctiveness of the GRAM mark. That mark had at least average inherent distinctiveness. There was cogent and compelling evidence that this mark had acquired a secondary meaning of denoting the telecom services of the trade mark's proprietor and none other.
- ii) Ground 2 The Hearing Officer erred in concluding that the GRAM and INSTAGRAM marks were similar to the Soundgram Mark only to a low degree.
- iii) Ground 3 The Hearing Officer's determinations as to the characteristics of the average consumer and the degree of attention that the average consumer would pay to a purchasing decision were flawed.
- iv) Ground 4 The Hearing Officer's errors under all or any of Grounds 1 to 3 led him to make a flawed finding that the requisite "likelihood of confusion" for the purposes of 5(2)(b) of the Act was not present.
- v) Ground 5 The Hearing Officer erred in finding that the Soundgram Mark would not even bring to mind the INSTAGRAM mark when considering s5(3) of the Act.

The approach to be taken to appeals against factual and evaluative findings

- 21. CPR 52.21 applies to this appeal. There is no practice direction that requires the appeal to be by way of re-hearing. Neither party argued that it should be by way of re-hearing and I did not consider a re-hearing to be in the interests of justice. I have therefore approached the appeal as a review of the Decision.
- 22. All of the Hearing Officer's conclusions that are challenged were preceded by a self-direction as to applicable law that was drawn from a combination of EU law authorities and judgments of the English courts. Instagram makes no challenge to the Hearing Officer's self-direction on applicable law. Its challenge is to the outcome of the multifactorial assessment that the Hearing Officer applied.
- 23. Appellate courts have repeatedly, and recently, been warned that they should not lightly interfere with factual findings of a first-instance tribunal. The principle is well known and it is not necessary to set out extensive quotes from authority to make it good. The following extract from Lewison LJ's judgment in *Volpi v Volpi* [2022] EWCA Civ 464 explains the principle with characteristic clarity:

The appeal is therefore an appeal on a pure question of fact. The approach of an appeal court to that kind of appeal is a well-trodden path. It is unnecessary to refer in detail to the many cases that have discussed it; but the following principles are well-settled:

i) An appeal court should not interfere with the trial judge's conclusions on primary facts unless it is satisfied that he was plainly wrong.

ii) The adverb "plainly" does not refer to the degree of confidence felt by the appeal court that it would not have reached the same conclusion as the trial judge. It does not matter, with whatever degree of certainty, that the appeal court considers that it would have reached a different conclusion. What matters is whether the decision under appeal is one that no reasonable judge could have reached.

iii) An appeal court is bound, unless there is compelling reason to the contrary, to assume that the trial judge has taken the whole of the evidence into his consideration. The mere fact that a judge does not mention a specific piece of evidence does not mean that he overlooked it.

iv) The validity of the findings of fact made by a trial judge is not aptly tested by considering whether the judgment presents a balanced account of the evidence. The trial judge must of course consider all the material evidence (although it need not all be discussed in his judgment). The weight which he gives to it is however pre-eminently a matter for him.

v) An appeal court can therefore set aside a judgment on the basis that the judge failed to give the evidence a balanced consideration only if the judge's conclusion was rationally insupportable.

vi) Reasons for judgment will always be capable of having been better expressed. An appeal court should not subject a judgment to narrow textual analysis. Nor should it be picked over or construed as though it was a piece of legislation or a contract.

24. In my judgment, the above principles apply not just to the Hearing Officer's findings of primary fact, but also to his evaluative conclusions drawn from those primary facts (for example the degree of similarity between marks, the inherent distinctiveness of marks and the presence of absence of a "likelihood of confusion"). Indeed, if the principles did not apply in this way, they would be deprived of much of their force in appeals such as this since, as even a cursory reading of the Decision reveals, the vast majority of the Hearing Officer's findings are evaluative and drawn from largely uncontroversial matters of primary fact. Lord Hoffmann summarised the appellate caution that should be exercised in such matters in the following extract from his speech in *Designers Guild Ltd v Russell Williams (Textiles) Ltd* [2000] 1 WLR 577:

...because the decision involves the application of a not altogether precise legal standard to a combination of features of varying importance, I think that this falls within the class of case in which an appellate court should not reverse a judge's decision unless he has erred in principle.

Lord Hoffmann's statement above was made in the context of a copyright case concerned with the question of whether copied features formed a "substantial part" of a work. There are clear parallels between that question and the evaluative task that the Hearing Officer had to perform in this case.

25. That said, I acknowledge that the Hearing Officer reached his conclusions without having heard any cross-examination on the evidence that was before him. Since

this appeal does not rely on significant differences on primary fact, I am not surprised that neither party applied to the Hearing Officer for permission to cross-examine. But the absence of cross-examination was a matter to which Robert Walker LJ referred when saying, in the *Reef Trademark* case [2002] EWCA Civ 763 that an appellate court should show "real reluctance" but not the "highest degree of reluctance" to interfere with a hearing officer's conclusions on multi-factorial assessments and I will similarly bear that matter in mind.

26. Finally, it is relevant to observe that this is an appeal from a tribunal with particular expertise. As Lady Hale observed in *AH* (*Sudan*) *v* Secretary of State for the Home Department [2007] UKHL 49 at paragraph 30, the court should approach the appeal on the basis that it is probable that an expert tribunal, charged with applying the law in their specialist field, has probably got it right.

Ground 1

- 27. The focus of Ground 1 is on the GRAM mark. Instagram makes the overarching submission that the Hearing Officer erred "in principle" in failing to recognise:
 - i) The at least average inherent distinctiveness of the GRAM mark; and
 - ii) that the GRAM mark had through use acquired an enhanced distinctive character in relation to the telecommunications services arising in this appeal.
- 28. Instagram submits that those errors of "principle" infected the Hearing Officer's overall conclusions on "degree of similarity" and "likelihood of confusion" for the purposes of s5(2)(b) thus vitiating the Hearing Officer's entire conclusion on that issue.
- 29. In his oral submissions, Mr Reed KC explained that the error of "principle" he alleged was one of "perversity": no reasonable hearing officer could have reached the Hearing Officer's conclusion on the basis of the evidence and submissions before him. That formulation of the challenge presented a high obstacle for Instagram to overcome since the court will not lightly assume that an expert tribunal, making evaluative determinations in a specialist field, will have gone so wrong as to reach a perverse conclusion.
- 30. I start with "inherent distinctiveness". There is an inverse relationship between "descriptiveness" and "distinctiveness" in the sense that the more descriptive a mark is of goods or services, the less distinctive it is likely to be. Instagram's case was that the word "gram" will primarily be understood as a unit of mass which has nothing to do with telecommunications services (ignoring the asserted secondary meaning discussed below which has a bearing on <u>acquired</u> distinctiveness). Therefore, reasons Instagram, the GRAM mark must have had at least average inherent distinctiveness since it is in no way descriptive of telecommunications services.
- 31. However, the Hearing Officer was not bound to accept that argument. It was reasonable for the Hearing Officer to consider other uses of the word "gram". He was entitled to consider, as he did at [27], suffix uses, such as "telegram" which

is allusive of telecommunication services. Instagram counters that, if the Hearing Officer considered suffix uses such as this, he should also have turned his mind to other uses that had nothing to do with telecommunications services, such as "histogram", "parallelogram", "echocardiogram" etc. However, the Hearing Officer was not obliged to set out on the face of the Decision <u>all</u> the possible suffix meanings he had considered (see *Volpi v Volpi* points iv), v) and vi)). Different hearing officers might have stopped their analysis at the word "gram" and accepted Instagram's argument that there was at least average inherent distinctiveness, but the Hearing Officer's conclusion, based on "telegram", was not perverse and I reject the argument set out in paragraph 27.i) above.

- 32. Instagram's argument set out in paragraph 27.ii) above is that the only reasonable conclusion to be drawn from both the Dictionary Evidence and the Media Evidence, was that the GRAM mark had enhanced distinctiveness through use.
- 33. Instagram criticises the Hearing Officer's failure in the Decision to refer to its evidence from the online Urban Dictionary (as distinct from the Cambridge English Dictionary). In oral submissions before the Hearing Officer, Mr Erturan, had argued that the Urban Dictionary was an unreliable guide to meaning since it was so freely editable submitting that one of the definitions of the word "lawyer" that it provided was "a hired liar". The Hearing Officer was not bound to refer to all the evidence and I should assume that he had all that evidence in mind (*Volpi v Volpi* point iii)). The absence of reference to the Urban Dictionary involves no error of law.
- 34. Instagram argues that the Hearing Officer was wrong to downplay the significance of the evidence consisting of an extract from the Cambridge English Dictionary on the basis that the extract was undated and he was not sure whether it referred to a UK usage of the word "gram" or a usage elsewhere. I see the force of Instagram's point that this was the <u>Cambridge</u> English Dictionary and that there were plenty of indicators that it was providing definitions of UK usages. I see also the force of the point that the extract must have been dated before 2 June 2021 (since it was exhibited to a witness statement of that date) so might well have had something to say about the usage of the word "gram" at the material date of 28 July 2020 since words do not come into being overnight.
- 35. Instagram makes the point that EE&T did not challenge the evidence of the Cambridge English Dictionary in either its submissions or its evidence. However, I do not consider that matters: EE&T was certainly challenging the proposition that the GRAM mark had enhanced distinctiveness. Mr Reed KC explained that both parties were subject to a page limit on their evidence but that makes no difference either. It was for Instagram to explain, within the constraints of its page limit, what conclusions should be drawn from the Cambridge English Dictionary. Instagram chose not to address head on the issues of date or geographical coverage. The Hearing Officer was perhaps more particular on these points than he could permissibly have been. However, ultimately Instagram had not chosen to provide any explanation of their own on these issues and it was not perverse for the Hearing Officer to decline to fill in the gaps for them.
- 36. The Hearing Officer was wrong to say, at [23], that all instances of the use of the word "gram" in the Media Evidence were accompanied by references to

"Instagram" thereby explaining the shortened version. For example, the transcript from the Graham Norton show (if it is assumed to be accurate) refers to "gram" alone without any reference to "Instagram". The title of the Craig David song did not mention "Instagram".

- 37. I do not accept that the Hearing Officer refused even to consider the Dictionary Evidence or the Media Evidence. He considered it, but concluded that, it was "far from convincing". To disturb the Hearing Officer's evaluative conclusion on "enhanced distinctiveness", Instagram must show that the <u>only reasonable</u> conclusion that can be drawn from the evidence is that the mark GRAM had enhanced distinctiveness through use. I am not persuaded that Instagram has satisfied that high hurdle.
- 38. The Media Evidence was not of Instagram's <u>own</u> use of the GRAM mark. Rather, it was evidence of use of the word "gram" by people unconnected with Instagram. It suggested that people intending to refer to Instagram's products could make themselves understood by referring to "the gram". Moreover, referring to Instagram in that way was not obscure or difficult to understand since the usage was adopted by entertainers such as Craig David who would have no interest in expressing themselves obscurely. However, the Hearing Officer could reasonably form the view that just because Craig David, the Graham Norton guest and others could make themselves easily understood when they referred to "the gram" it did not follow that a material proportion of the relevant section of the public used the word in an origin-specific way in referring to Instagram's services.
- 39. A similar point can be made of the Cambridge English Dictionary. That suggests that, at the material time, there was a secondary usage of the word "gram" as referring to Instagram's products specifically. However, the dictionary alone cannot, and does not seek to, explain how prevalent that usage is, either on its own or relative to the other usage given (a measure of mass).
- 40. No criticism was made of the Hearing Officer's self-direction at [24] on how to assess the "distinctive character" of a mark. One aspect of that self-direction required account to be taken as to:

The proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking

41. In my judgment, the Hearing Officer was not <u>bound</u> to conclude that such a material proportion of the relevant section of the public used the word "gram" as referring specifically to Instagram's products as to give the GRAM mark enhanced distinctiveness. He could reasonably have formed the view that the Dictionary Evidence and the Media Evidence was not sufficient to underpin such a conclusion. I am not satisfied that the Hearing Officer's conclusion was perverse and I dismiss the appeal on Ground 1.

Ground 2

42. There is no challenge to the Hearing Officer's self-direction as to the law at [15] which includes the following:

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

- 43. Underpinning many of the challenges under Ground 2 is Instagram's argument that the Hearing Officer failed properly to apply that self-direction including by failing to consider what the "distinctive and dominant" elements of the respective marks were and/or by reaching perverse conclusions on that question.
- 44. Some arguments advanced under Ground 2 depended on Ground 1 succeeding. For example, it is said that the GRAM mark was so significant and distinctive that it necessarily followed that the Soundgram Mark was similar to at least a medium degree to both the GRAM and INSTAGRAM marks. That aspect of Ground 2 is dealt with by my rejection of Ground 1. It is nevertheless necessary to consider other criticisms of the Hearing Officer's assessment of similarity which are put slightly differently as regards the INSTAGRAM versus Soundgram and the GRAM versus Soundgram comparison.

INSTAGRAM compared with Soundgram

- 45. Instagram's first criticism is that nowhere in [22] does the Hearing Officer explain what he considers to be the dominant and distinctive characters of the two marks. I reject that criticism on the basis of principle (vi) in *Volpi v Volpi*. It is true that the Hearing Officer does not include a separate section setting out "dominant and distinctive characters", but his overall conclusion and reasons are clear from reading the Decision as a whole. There is no challenge to the self-direction as to the law at [20] and [21], to the effect that the beginnings of words tend to have more visual and aural impact than the ends although that is not an immutable rule. The Hearing Officer concluded at [23] that the suffix "-gram" was allusive of messaging and that this had a bearing on the assessment of similarity of the marks. He therefore concluded that the suffix "-gram" was of relatively low distinctiveness. That is why his assessment of similarity focused on the start of the marks.
- 46. Instagram argues that since the Hearing Officer said that "[v]isually and aurally they have identical endings but completely different beginnings and so <u>must</u> be considered similar to a low degree" (my emphasis) he was impermissibly leaving the similarity arising from the "-gram" suffix out of account altogether. In my judgment that is unduly to "pick over" the words of the Decision (in the words of Lewison LJ in *Volpi v Volpi*) and also involves a failure to read the Decision as a whole. Nowhere does the Hearing Officer suggest that the -gram suffix is so negligible as to be ignored. At [26], the Hearing Officer concluded that the combination of "insta" and "gram" to form INSTAGRAM resulted in a "different conceptual unit". In my judgment, the word "must" in the conclusion in [23] simply introduces the evaluative conclusion that is reached.
- 47. Next, Instagram argues that the prefix "Sound" in the Soundgram mark is allusive of telecoms services within the specification for that mark and as such gives

greater dominance and distinctiveness to the "-gram" suffix with a corresponding effect on the assessment of similarity. That is a perfectly good and respectable argument that featured in Instagram's skeleton argument before the Hearing Officer. However, the Hearing Officer evidently did not accept it, or did not fully accept it. The existence of respectable, or even strong, arguments that point against the Hearing Officer's evaluative conclusion is not sufficient to demonstrate that the conclusion was unavailable to him. I do not consider that Instagram's argument based on the prefix "Sound" was so strong as to <u>compel</u> the conclusion that the two marks were similar to a medium to high degree and I dismiss Instagram's Ground 2 so far as relating to the comparison of INSTAGRAM with the Soundgram mark.

GRAM compared with Soundgram

- 48. Much of Instagram's criticism of this aspect of the Decision has been dealt with by my conclusions on Ground 1 and the significance of the prefix "Sound" set out in paragraphs 45 to 47 above.
- 49. Instagram makes the overlapping point that it was "unbalanced" for the Hearing Officer to conclude that the suffix "-gram" is allusive of some form of messaging (as a matter weighing against similarity between the GRAM and Soundgram marks) without making the countervailing point that "sound" is also allusive of telecommunications services. Therefore, as Mr Reed KC put it in his oral submissions, if "gram" was allusive of "messaging" then the Hearing Officer should have approached the Soundgram Mark as being largely descriptive of an audio message service with the high degree of similarity coming from use of the four letters "gram" in both marks.
- 50. I have already dealt with much of this argument. For completeness, I do not consider that it was incumbent on the Hearing Officer to set out a "balanced" account of the evidence in the sense of having to set out all factors that weighed both for and against his conclusion (see point (iv) of *Volpi v Volpi*). His task was, in part, to set out an overall evaluative conclusion on "similarity" that properly took into account, even if it did not expressly mention, all the evidence presented to him. I am not satisfied that the Hearing Officer failed in this regard.
- 51. I dismiss the appeal on Ground 2.

Ground 3

- 52. Ground 3 involves a challenge to the Hearing Officer's conclusion set out at [16] and [17] the average consumer would pay an above-average degree of attention when purchasing relevant goods and services. Instagram describes that conclusion as involving "errors of principle", which can be broken down as follows:
 - The Hearing Officer had based his conclusion on a perception that the "average consumer will wish to ensure that they are selecting the correct type of service which works with their phone and other hardware". However, in reaching that assessment, he failed to consider the likely substantial number of customers wishing to receive free telecommunication

services by, for example, downloading a free app. Consumers wishing to obtain a free app would be taking a risk-free decision and would be paying a low level of attention. Similarly, when considering notional fair uses (beyond the scope of usage by Instagram, but covered by the Instagram Marks), the Hearing Officer should have taken into account the likely perspectives of consumers selecting low value "pay as you go" services who could also be expected to pay a low level of attention to their purchase.

- ii) Instagram has over a billion users worldwide and, as the Hearing Officer found, the INSTAGRAM mark is "renowned" and with a medium to high degree of inherent distinctiveness and enhanced distinctiveness through use ([26]). Instagram's own customer base are potential consumers of Soundgram products but the Hearing Officer failed to reflect the behaviour of that constituency when reaching findings on the "average consumer".
- iii) The Hearing Officer wrongly treated the "average consumer" as a single person without properly addressing the full range of possible consumers including those referred to in (i) and (ii) above.
- 53. In my judgment, this Ground is, in reality, an attempt to re-argue the factual case on appeal. Instagram's factual case before the Hearing Officer was that EE&T's services were directed at the "public at large". It argued that the public at large would pay between a low and an average level of attention. Instagram submitted, without any great deal of analysis, that there was no suggestion that Soundgram's services would be sold for a high price or would be targeted at any specialised sector of the public and so the consumer would exercise a "relatively low degree of attention". I was not shown any part of Instagram's written skeleton argument, or in the transcript of oral submissions to the Hearing Officer, that suggested that the "average consumer" should take into account the constituencies referred to in paragraphs 52.i) or 52.ii) above.
- Rather, Instagram's reliance on those constituencies and the asserted "error of 54. principle" in failing to take them into account is a response to the Hearing Officer's explanation of his findings as to degree of attention that were based on a perception as to how ordinary members of the public would behave when downloading apps for their phones. I can quite understand Instagram considering, on reading the Hearing Officer's reasoning, that the position was more complicated than he suggested and that different categories of the general public might pay different amounts of attention. But ultimately the Hearing Officer was expressing an evaluative conclusion going to the likelihood that an ordinary member of the public making a purchase for consumption or domestic use would be confused by use of the Soundgram Mark. Lord Diplock described this as a "jury question" (see Re GE Trade Mark [1973] RPC 297). Instagram's arguments in this regard suggest to me that there are plausible grounds on which the Hearing Officer might have made a different decision but have not satisfied me that the decision he did make was "plainly wrong" or vitiated by any error of principle.
- 55. I dismiss the appeal on Ground 3.

Ground 4

56. Ground 4 was an assertion that all or any of the errors on Grounds 1 to 3 vitiated the Hearing Officer's conclusions on the likelihood of confusion. Since each of Grounds 1 to 3 has failed, Ground 4 fails as well.

Ground 5

- 57. The Hearing Officer found, at [45], that the Soundgram Mark would not even bring the INSTAGRAM mark to the mind of the average consumer. By Ground 5, Instagram challenges that factual and evaluative conclusion.
- 58. Part of Instagram's arguments under Ground 5 rely on the proposition that the Hearing Officer's evaluation of the low similarity between the INSTAGRAM and Soundgram marks was flawed. Those arguments fail consequent on the failure of Ground 2.
- 59. Instagram makes other arguments under Ground 5 that are not predicated on the Hearing Officer having made a flawed assessment of similarity. It submits that:
 - i) The Hearing Officer allowed his conclusions on the lack of similarity between the INSTAGRAM and Soundgram Mark to dominate. He ignored other relevant considerations such as the degree of renown of the INSTAGRAM mark and its medium to high level of distinctiveness.
 - ii) The Hearing Officer did not refract his perceptions through the prism of the "average consumer". Had he done so, he would have concluded that Instagram users formed a sizeable constituency of possible users of services labelled with the Soundgram Mark and, for that constituency, the INSTAGRAM mark would certainly be brought to mind.
 - iii) The Hearing Officer's overall conclusion was perverse.
- 60. I reject the argument in paragraph 59.i). The Hearing Officer mentioned the reputation of the INSTAGRAM mark at [38] and [42] and made findings at [26] as to the distinctiveness of that mark. The Hearing Officer was not obliged to repeat those findings when expressing his conclusion at [45] on the "bringing to mind" issue.
- 61. The argument in paragraph 59.ii) involves Instagram putting its case differently from the way it was put before the Hearing Officer. In its written skeleton argument before the Hearing Officer, Instagram had emphasised the significance of the suffix "-gram" in the Soundgram mark and so referenced its case that the GRAM mark had a high level of acquired distinctiveness. Paragraph 19 of Instagram's skeleton argument submitted that "... any relevant consumer seeing a mark incorporating the suffix '-GRAM' in relation to services comprising the sharing/telecommunication of audio visual files and other multimedia, and/or comprising similar/related services, would naturally make a link with ... [the INSTAGRAM mark]". That argument did not depend on identifying Instagram's own customers as a separate constituency of the "average consumer". It was the

argument summarised in Instagram's skeleton argument that the Hearing Officer considered, and rejected, at [45].

62. Therefore, at heart, Instagram's Ground 5 involves the assertion that the Hearing Officer's conclusion at [45] was perverse with the nature of the averred perversity spelled out clearly in the following extract from Mr Reed KC's skeleton argument:

It is submitted that the overall conclusion is wrong. When account is taken of the degree of similarity of the marks (including their dominant and distinctive elements), the fact that the services are identical, the high inherent distinctive character, the enhanced distinctive character acquired by reason of use, the repute of the mark (which is renowned in respect of the very services which Soundgram is seeking to cover), and when this is viewed through the prism of the average consumer which includes those who are well aware of the Instagram mark for these services, it is submitted that the Instagram mark will be called to mind by a substantial section of those consumers. It is, with respect to the Hearing Officer, hard to see why it would be anything other than inevitable that the worldfamous Instagram mark would be called to mind.

- 63. Those arguments have force. The proposition that the Soundgram Mark would not even "bring to mind" the INSTAGRAM mark is one that some readers of the Decision might not instinctively agree with. Mr Reed KC's submission that I have summarised sets out the basis for a possible contrary conclusion. However, even if the Hearing Officer could permissibly have reached a contrary conclusion, that does not of itself make the decision he did reach "perverse".
- 64. As I have concluded in rejecting Ground 4, the Hearing Officer was entitled to find that the two marks were similar to a low extent. That low similarity was clearly a relevant consideration in determining whether the Soundgram Mark would "bring to mind" the INSTAGRAM mark. Once that is accepted, the question becomes how much weight should be given to the low similarity of the marks as compared with the identical nature of the services in question and the distinctive character and reputation of the INSTAGRAM mark. I am not satisfied that the way the Hearing Officer weighed those various matters in the balance was "plainly wrong". That conclusion is not altered by the fact that in ANYGRAM TM (Opposition No. B2828898) the Opposition Division of the EU Intellectual Property Office concluded that use of a mark "Anygram" would take unfair advantage of the distinctive character and repute of the INSTAGRAM mark. As I have sought to explain throughout this judgment, the questions involved in this appeal involve multifactorial evaluations. It is not to my mind surprising, therefore, that a different tribunal could have come to a different conclusion from the Hearing Officer on an apparently similar question.
- 65. I dismiss Ground 5 and, having done so, dismiss the entire appeal.