

O-091-15

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 3006534**

**BY**

**HARISH RAMCHANDANI**

**TO REGISTER A SERIES OF TWO**

**TRADE MARKS**

**AXIS ACCOUNTANTS**  
**axisaccountants**

**IN CLASS 35**

**AND**

**THE OPPOSITION THERETO**

**UNDER NO 400857**

**BY AXYS CONSULTANTS**

## Background and pleadings

1. On 18 May 2013, Harish Ramchandani (“the applicant”) applied to register the trade mark, AXIS ACCOUNTANTS and axisaccountants as a series of two marks. It was accepted and published in the Trade Marks Journal on 14 June 2013 in respect of the following Class 35 services:

Class 35: Business management; business administration; office functions; accountancy; provision of business information; taxation services; business consultancy

2. Axys Consultants (“the opponent”) opposed the application based on Sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). They are relying upon their earlier European Community Trade Mark Registration numbers 2220473 and 2220739. The opposition relies upon all of the goods and services covered by their earlier registrations, namely (collectively referred to as “earlier registrations”):

3. European Community Trade Mark Registration no. 2220473 for the mark AXYS CONSULTANTS (“473”):

Filing date: 16 May 2001

Date registration procedure completed: 27 September 2002

Goods and Services

*Class 9: Communications systems; apparatus and media for recording, transmission or reproduction of sound, images or signals; magnetic recording media; media readable by computers and audio-visual apparatus; data-processing apparatus; computers; computer peripheral devices; computer terminals for access to worldwide communications networks (such as the Internet) or private access networks (such as an intranet); computer database servers; computer software; computer software packages; recorded computer programs; computer programs and computer software of all kinds, regardless of the media used for the recording or distribution thereof, software recorded on magnetic media or downloaded from an external computer network; electronic publications (downloadable).*

*Class 35: Advertising; advertising via the Internet; on-line advertising on a computer network; commercial or industrial management assistance, business information or inquiries; business management; business investigations; organization of exhibitions for commercial or advertising purposes; collection and systematic ordering of data in a central file; computerised file management; management of electronic mail; market surveys; electronic processing of data and information; processing and use of computerised messages; data searches in computerised files for others; electronic mail processing; business management consultancy; project management with respect to information systems design, specification, procurement, installation, and implementation; organisation consulting, consultancy in strategy.*

*Class 38: Communication services; telecommunications; communications via national or international networks; receipt and dissemination of messages, documents and other information by electronic transmission; communications by and/or between computers and computer terminals; connection to telecommunications networks by computer and dissemination of information on networks; transmission of information by data transmission; transmission and exchange of data contained in data banks; information services, consultancy and information about telecommunication; electronic mail via the Internet; transmission of data contained in databases; transmission of information contained in computer servers; electronic advertising (telecommunications); connection by telecommunications to a computer network; routing and connecting services for telecommunications; teleconferencing services; providing of data networks; all the aforesaid services relating to the field of computing, telecommunications, the Internet/Intranet and all present or future means of communication.*

*Class 41: Education and training; provision of recorded data carriers for teaching or entertainment purposes; publication of books, magazines, brochures, forms and programmes (other than advertising texts); arranging and conducting of colloquiums, conferences, congresses, forums, exhibitions, seminars, symposiums and conventions; electronic online publication of periodicals and books; micro-publishing; games offered on-line on a computer network; digital imaging services; operation of online non-downloadable electronic publications; educational services; conducting of classes, seminars, workshops and lessons in the fields of development and implementation of computer software, and of the use of computer software and information systems; developing educational materials for others in the fields of the development and implementation of computer software, and of the use of computer software and information systems; developing educational materials for others in the fields of the development and implementation of computer software, and of the use of computer software and information systems.*

*Class 42: Computer programming; services relating to design and advance studies; conversion of data and computer programs (other than physical conversion); design of computer systems; duplication of computer programs; conversion of data or documents from a physical storage medium to an electronic medium; creating and maintaining web sites of others; hosting of computer sites (web sites); installation of computer software; providing information in the fields of technology, information, computers, and computer systems; consultancy in the field of computers; computers services, namely, providing databases in the fields of business consulting, technology and information, computers and computer systems; information technology consulting; computer software design (designing) and software packages; computer site design; installation, implementation, maintenance and repair services with respect to computer software; leasing of access time to a computer data base server centre; rental of computers and computer peripheral devices; consultancy relating to the installation and choice of information systems.*

4. European Community Trade Mark Registration no. 2220739 for the mark



("739"):

Filing date: 16 May 2001

Date registration procedure completed: 1 July 2004

*Class 9: Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.*

*Class 35: Advertising; business management; business administration; office functions.*

*Class 38: Telecommunications.*

*Class 41: Education; providing of training; entertainment; sporting and cultural activities.*

*Class 42: Providing of food and drink; temporary accommodation; medical, hygienic and beauty care; veterinary and agricultural services; legal services; scientific and industrial research; computer programming; services that cannot be classified in other classes.*

5. The opponent argues that the respective goods and services are identical or similar to their existing registrations, and that the marks are similar. Therefore, they claim that the application should be refused under section 5(2)(b) of the Act. The opponent also states that that the application is contrary to section 5(3) insofar that the opponent has established reputation and registration and use of the application would, 1) deceive the public, 2) unjustly benefit from the unwarranted association with the opponent's earlier marks, 3) be detrimental to the opponent's reputation, and/or 4) dilute their reputation.

6. The applicant filed a counterstatement, denying a likelihood of confusion between the marks and put the opponent to partial proof that they have made genuine use of their earlier registrations within the five year period ending on 14 June 2013, as per section 6A of the Act. The relevant five year period is 15 June 2008 to 14 June 2013.

7. Both sides filed evidence. Both ask for an award of costs. The matter came to be heard on 29 January 2015 when Mr. Harish Ramchandani represented himself. Rather than attend the hearing, Axys Consultants filed written submissions via their trade mark representatives, Field Fisher Waterhouse.

## Evidence rounds

### Opponent's evidence

8. The opponent's evidence is a Witness Statement provided by Mr. Paul Strippe who is a director of Axys Consultants. Mr. Strippe's evidence is from his own personal knowledge or from the corporate records.

9. He states that the opponent is a well-known consultancy business based in France which also operates throughout the EU. The opponent was founded in 1987 and he states that this is when they began using their earlier marks. They currently employ over 150 consultants with annual turnover of €20,551,339 (in 2010), €20,184,416 (in 2011) and €20,998,594 (in 2012). He does not provide any UK advertising figures.

10. Mr. Strippe provides the following exhibits, many of which are in French, though some translations are provided:

- Exhibit PS1 comprises copies of the registrations relied upon.
- Exhibit PS2 is a French website extract with an English translation which lists a number of "Our clients" (paragraph 7 of the Witness Statement). The search for the website was conducted on 5 March 2014 using an archive search facility called the "Wayback Machine". The webpage is dated 2 August 2008 and contains both of the earlier registrations (the stylised version is in the top left of the webpage).

With regard to use of Wayback Machine evidence, I am mindful of the observation provided in the Patents County Court, by His Honour Judge Birss, in *National Guild of Removers & Storers Ltd v. Silveria [2011] F.S.R. 9*, said, at paragraph 33:

"Mr Hill submitted and I accept that the fair way to assess the damages appropriate in this case is again to consider the fees due under the rules and use them to gauge an appropriate level of damages. The first question arising is the period of infringing use/passing off. To assess this Mr Sheahan used a website called the "Internet Archive" which is run by a not for profit organisation in the United States. This has a service called the "Wayback Machine" which allows a user to find snapshots of how websites appeared in the past. The Wayback Machine is commonly used in intellectual property cases to see what old websites looked like even when the operators of the websites have changed them or removed them altogether."

- Exhibit PS3 is a presentation which provides information on the opponent's business activities and the logos of the various "Key Accounts" they have worked with over the last 25 years. The document is dated 10 March 2014, which is outside of the relevant period
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- Exhibit PS4 comprises copies of invoices for services conducted for a European Bank operating from Luxembourg. Given the commercial sensitivity of the information contained within the invoices, following an order by the

Registrar, this exhibit will not be available for public inspection. The invoices contain the word mark but not the stylised version. The invoices are dated 31 January 2012, 29 February 2012, 30 April 2012, 31 October 2012, 27 May 2013 (though the translation states 2012) and 31 December 2013 (once again the translation does not correspond with the French invoice but I shall assume that these are typographical errors).

- Exhibit PS5 are annual returns for France which shows annual turnover figures as €20,551,339 (2010), €20,184,416 (2011) and €20,998,594 (2012). The opponent states that these figures relate to the provision of consultancy, management and related services all under the registered marks. The returns refer to '473 but not '739.
- Exhibit PS6 is a "typical piece of marketing material that we would send to potential clients". Mr. Strippe states that material of this nature is sent to their potential clients. It is not dated. Also within PS6 is an extract from the Axys Magazine which is "used externally as a promotional tool". The marketing materials show both of the earlier registrations. This is dated 2007, which is before the relevant period.
- Mr. Strippe states in paragraph 15 that "Maintaining and updating the website is a key part of our advertising and marketing strategy. It has been in use and updated consistently throughout the Relevant Period". To evidence this, exhibit PS7 are a selection of webpages (using the Wayback Machine) showing the earlier registrations. The webpages state that they provide "Professional expertise" relating to, *inter alia*, "Commercial management and Client relations", "Management of financial performance" and "HR Management". The pages are dated 28 June 2008, 1 June 2009, 18 January 2010, 23 June 2011, 29 June 2012 and 9 May 2013
- Exhibit PS8 comprises of a selection of webshots which show use of '739. The documents are dated 28 June 2008, 19 June 2009, 30 March 2010, 24 August 2011, 15 December 2012, 30 June 2013. The screenshots are all headed "Service offerings" and contain the following information:

Business expertise	Services
Commerical management and Client Relations	Assistance with Contracting
Management of supplier relations and the logistics chain	Integration and evolution of Information systems
Human Resources Management	Transformation management
Financial performance management	Project management
Performance of Information Systems	

- Exhibit PS9 are copies of press releases dated 13 January 2012 which were uploaded to the opponent's website. Only one page of this document has been translated to English. The press release, produced by Axys Consultants, states that they are one of "the top French Management consulting firms".

- Exhibit PS10 is an extract from the opponent's website from the "Publications" section. This exhibit is not dated.
- Exhibit PS11 is a press article from Categorynet.com dated 3 June 2010. The article states that Axys Consultants offer organisational consultancy services as well as information system consultancy services. It also states that the turnover for 2009 was €17 million which is a 22.4% growth on the previous year.
- Exhibit PS12 is a press article from the French website "PR Newswire", dated 26 March 2012. The article refers to the opponent as "one of the top French Management consulting firms". It further states that their client, CA xpertise, sought the services of the opponent for a 360 evaluation of their managers.
- Exhibit PS13 is a report dated 6 June 2013 which is a "barometer" of the French economy at that time. It is produced in conjunction with BFM who are a French business news media organisation. The purpose of the report is to gather data and provision of commentary relating to the French and European economy. The report refers to AXYS CONSULTANTS, but not '739.
- Exhibit PS14 contains similar reports to those exhibited in PS13. They are dated October 2012 and March 2013.
- Exhibit PS15 is an extract from the BFMTV which is the TV channel of BFM (the French business news media organisation). The extract refers to a "barometer" regarding French business morale which the opponent conducted on behalf of BFM.
- Exhibit PS16 is a newspaper article published in the French Newspaper, Les Echos.
- Exhibit PS17 is a website press article from an online banking portal [www.boursorama.com](http://www.boursorama.com) which makes further reference to the "barometer" as exhibited in PS13.
- Exhibit PS18 is a Unicef press release dated 8 December 2009. The release has not been translated and, therefore, is not of assistance. Mr. Strippe states that the opponent is in partnership with Unicef.
- Exhibit PS19 is a further press release relating to the opponent's partnership with the charity organisation Unicef. The document is dated 1 December 2009, but does not demonstrate the opponent's use of their mark in the relevant sector (nor does PS18).

### **Applicant's evidence**

11. The applicant's evidence is a Witness Statement provided by Mr. Harish Ramchandani who is the proprietor of his business, Axis Accountants. The Witness Statement consists of statements relating to the comparison of marks, goods and

services. Since these are submissions, rather than facts, I will not summarise them here but I have borne them in mind and will refer to them where appropriate in this decision.

## **Proof of use provisions**

12. Section 6A of the Act states

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

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

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

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

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

(3) The use conditions are met if -

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

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

(4) For these purposes -

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

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

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



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

13. Section 100 of the Act states that:

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

### Relevant proof of use case law

14. In *Stichting BDO v BDO Unibank, Inc.*, [2013] F.S.R. 35 (HC), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeo SRL v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

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

(2) The use must be more than merely token, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider* [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the

purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23]; *Sunrider*, [70]-[71].

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

15. The earlier marks are CTMs, therefore, in accordance with section 6A(5) of the Act, the earlier mark must have been put to genuine use in the EC (now known as the EU). In its judgment in *Leno Merken BV v Hagelkruis Beheer BV* C-49/11(“ON L”) the CJ U stated in paragraphs 28 -31:

“The Court has already - in the judgments in *Ansul* and *Sunrider v OHIM* and the order in *La Mer Technology* - interpreted the concept of 'genuine use' in the context of the assessment of whether national trade marks had been put to genuine use, considering it to be an autonomous concept of European Union law which must be given a uniform interpretation.

It follows from that line of authority that there is 'genuine use' of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether there is real commercial exploitation of the mark in the course of trade, particularly the usages regarded as warranted in the economic sector concerned as a means of maintaining or creating market share for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (see *Ansul*, paragraph 43, *Sunrider v OHIM*, paragraph 70, and the order in *La Mer Technology*, paragraph 27).

The Court has also stated that the territorial scope of the use is only one of several factors to be taken into account in the determination of whether that use is genuine or not (see *Sunrider v OHIM*, paragraph 76).

That interpretation may be applied by analogy to Community trade marks since, in requiring that the trade mark be put to genuine use, Directive 2008/95 and Regulation No 207/2009 pursue the same objective.”

16. Regarding the territorial scope of the use, the CJEU went on to state in paragraphs 52 - 55:

“Some of the interested persons to have submitted observations to the Court also maintain that, even if the borders of the Member States within the internal market are disregarded, the condition of genuine use of a Community trade mark requires that the trade mark should be used in a substantial part of the Community, which may correspond to the territory of a Member State. They argue that such a condition follows, by analogy, from Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 28, Case C-328/06 *Nieto Nuño* [2007] ECR I-10093, paragraph 17, and Case C-301/07 *PAGO International* [2009] ECR I-9429, paragraph 27).

That argument cannot be accepted. First, the cases in question concern the interpretation of provisions relating to the extended protection conferred on trade marks that have a reputation or are well known in the Community or in the Member State in which they have been registered. However, the requirement for genuine use, which could result in an opposition being rejected or even in the trade mark being revoked, as provided for in particular in Article 51 of Regulation No 207/2009, pursues a different objective from those provisions.

Second, whilst it is reasonable to expect that a Community trade mark should be used in a larger area than a national mark, it is not necessary that the mark should be used in an extensive geographic area for the use to be deemed genuine, since such a qualification will depend on the characteristics of the product or service concerned on the corresponding market (see, by analogy, with regard to the scale of the use, *Ansul*, paragraph 39).


Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77).”

### **The relevant period**

17. According to section 6A(3)(a) of the Act, the relevant period in which genuine use must be established is the five period ending on the date of publication of the applied

for mark, so, in these proceedings, the relevant period is 15 June 2008 to 14 June 2013.

18. In the applicant’s counterstatement they requested proof of use for the following services:

Mark	Class 35 services
	Business management; business administration; office functions.
AXYS CONSULTANTS	Commercial or industrial management assistance, business information or inquiries; business management; business investigations; collection and systematic ordering of data in a central file; computerised file management; management of electronic mail; electronic processing of data and information; processing and use of computerised messages; data searches in computerised files for others; business management consultancy; project management with respect to information systems design, specification, procurement, installation, and implementation; organisation consulting, consultancy in strategy.

19. The correct approach to assessing genuine use is to view the evidential picture as a whole, including whether individual exhibits corroborate each other. In Case T-415/09, *New Yorker SHK Jeans GmbH & Co. KG v Office for Harmonisation of the Internal Market (OHIM)*<sup>1</sup>, the General Court (“GC”) said at paragraph 53:

“In order to examine whether use of an earlier mark is genuine, an overall assessment must be carried out which takes account of all the relevant factors in the particular case. Genuine use of a trade mark, it is true, cannot be proved by means of probabilities or suppositions, but has to be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (*COLORIS*, paragraph 24). However, it cannot be ruled out that an accumulation of items of evidence may allow the necessary facts to be established, even though each of those items of evidence, taken individually, would be insufficient to constitute proof of the accuracy of those facts (see, to that effect, judgment of the Court of Justice of 17 April 2008 in Case C-108/07 P *Ferrero Deutschland v OHIM*, not published in the CR, paragraph 36).”<sup>1</sup>

20. In light of the case law above, I must take into account all of the relevant factors and circumstances in determining whether there is real commercial exploitation of the marks. My assessment includes the nature of the services and the

<sup>1</sup> (See also the comments of Mr Geoffrey Hobbs QC, sitting as the appointed person in *Brandconcern BV v Scooters India Limited* (“Lambretta”) L O/065/14, referring to this case from the GC).

characteristics of the market concerned. Use of the mark need not always be quantitatively significant for it to be deemed genuine.

21. In this instance, the evidence shows that the opponent has a relatively large turnover. Mr. Strippe confirms that these figures relate to both of the earlier registrations. The turnover figures are corroborated by invoices.

22. In the opponent's submissions they cross referenced the "Services" with which proof of use is requested and where they believe the evidence proves such use. The veracity of the opponent's evidence has not been challenged. However, during the hearing the applicant did question its sufficiency. Further, the applicant stated that the invoices (exhibit PS5) do not state what services were actually conducted. Further, Mr. Ramchandani submitted that the turnover figures were not broken down into specific service areas.

23. As stated in Case T-415/09, *New Yorker SHK Jeans GmbH & Co. KG v Office for Harmonisation of the Internal Market (OHIM)*, I must assess the evidence as a whole. Whilst it would be helpful to have a clear breakdown of what proportion of the turnover relates to which service, this is not always a practical or general principle which businesses adopt. The Witness Statement states that the opponent has a relatively large turnover, and Mr. Strippe confirms that these figures relate to both of the earlier registrations for the services conducted. The turnover figures are corroborated by invoices. Whilst the invoices do not specifically state what services are conducted, they do include registration '473, make reference to "Consultant senior" and their daily rate.

24. The evidence also illustrates that predominantly the opponent is a business consultancy organisation which advises their clients on organisational, operational and management structures. Services of this nature encompass other services which whilst maybe ancillary to the overall business provided by the opponent, they are nevertheless services rendered as an overall package. More specifically, as the opponent identified, in order to provide business advisory services they conduct "business investigations", "collect and order data", process this information, etc. I am also mindful of the frequency of use of each mark.

25. Assessing the evidence as a whole, the opponent has provided high turnover figures, corroborating invoices, website extracts which show frequent use of each mark and press articles. Therefore, on the balance of probabilities, I conclude that the opponent has provided sufficient evidence to discharge the burden placed upon them under section 100 of the Act. Therefore, the opponent may rely upon all of the services for which proof of use was requested.

## **Decision – leading legislation and case law**

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

26. Sections 5(2)(b) of the Act is as follows:

"5(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, or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

27. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

### **The principles**

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

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

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

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

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Average consumer and the purchasing act**

28. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

29. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

30. The respective services will be used and sought by businesses, including organisations in the tax and accountancy fields. Whether it is business consultancy or taxation/accountancy services, these will be initially chosen from advertising (e.g. magazines or on the internet), or by a word of mouth recommendation. Subsequently a meeting would likely be required in order to finalise details. Therefore, the purchasing act would be made from following a visual perusal of advertisements or aural recommendations from business colleagues, associates, etc.

31. These types of services may be required by an array of businesses as well as individuals who may be self employed. The cost of the services is likely to be higher than many other services sought by businesses and, therefore, more time and analysis will be taken prior to purchase. In view of this, there is likely to be a higher than average degree of care and attention taken when deciding who provides these services.

32. To summarise, the average consumer of the services are businesses (including self employed individuals), who will pay a higher than average degree of care and attention.

**Comparison of goods/services – general case law**

33. In the judgment of the Court of Justice of the European Union in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

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

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services
- c) The respective trade channels through which the goods or services reach the market
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

35. The opponent relies upon all of the goods and services covered by their earlier registrations. This is unhelpful given that many of the earlier goods and services clearly cannot be found to be similar to the application. Therefore, for the purposes of procedural economy, I will focus on class 35 which I believe represents the opponent’s strongest case:

<b>Opponent services</b>		<b>Applicant services</b>
No. 2220473 Class 35: Advertising; advertising via the Internet; on-line advertising on a computer network; commercial or industrial management assistance, business information or inquiries; business management; business investigations; organization of exhibitions for commercial or advertising purposes; collection and systematic ordering of data in a central file;	No. 2220739 Class 35: Advertising; business management; business administration; office functions.	Class 35: Business management; business administration; office functions; accountancy; provision of business information;



<p>computerised file management; management of electronic mail; market surveys; electronic processing of data and information; processing and use of computerised messages; data searches in computerised files for others; electronic mail processing; business management consultancy; project management with respect to information systems design, specification, procurement, installation, and implementation; organisation consulting, consultancy in strategy.</p>		<p>taxation services; business consultancy</p>
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*Business management*

36. Each of the opponent's earlier registrations covers "business management". Therefore, these services are identical.

*Business administration*

37. The opponent's registration no. '739 includes the identical term.

38. The opponent's registration no. '473 includes various business related services, including "business management, investigations, information, enquiries". Given the nature, purpose, uses and users of the aforementioned, I find that these services are highly similar to "business administration".

*Office functions*

39. Registration no. '739 covers the identical term.

40. In the opponent's submissions they state that the term "office functions" should be defined as: "the functions that an office manager would typically perform, namely administrative handling, controlling, and maintaining a balanced process of work inside the office of an organisation". I agree. It was clear during the hearing that the applicant also believes this to be the case. However, the opponent also claims that "budget development/implementation, book keeping, accounting, payroll" are also covered by "office functions". The applicant disagrees, and so I do. Therefore, for the avoidance of doubt, when assessing the services covered by "office functions" I take this to mean the day to day tasks involved with running an office, i.e. the office manager. These include, *inter alia*, purchasing, human resources, records management, forms management, facilities management, space management and risk management.

41. The opponent's registration no. '473 includes "business management". The term "office functions" is broad but for the reasons set out above, they generally cover all services relating to the running of an office. This includes "business management". Therefore, they are (at least) highly similar services.

### *Provision of business information*

42. Registration '739 does not include the identical term, but does include "business management and business information" which are identical.

43. Registration '473 does include the term "business information".

### *Business consultancy*

44. The opponent's registration no. '473 covers "business management consultancy" which, in essence, is identical to the applicant's "business consultancy".

45. Registration no. '739 covers "business management" which must be considered to be very similar to "business management consultancy".

### *Accountancy*

46. The term "accountancy services" is very wide ranging and I bear in mind the comments of Jacob J. In *Avnet Incorporated v. Isoact Ltd* [1998] FSR 16 where he said:

"In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase."

47. The contested accountancy is a specialist service whereby the financial records of a company or an individual are kept, audited and otherwise managed. This term could also encompass payroll services and it is reasonably common for accountancy companies to offer administration functions relating to finance. Therefore, I find that the term "accountancy services" could include "business management" and "business administration" ('739 only) which are covered by each of the earlier registrations. Accordingly, the services are similar to a moderate/high degree.

### *Taxation services*

48. Taxation services are specialist services relating to the management, processing and advice relating to tax. All businesses have an obligation with regard to tax and many require advice relating thereto so the end users of the respective services are the same. The services under comparison do differ slightly in purpose since one is focussed on tax, and the other to manage the business. Whilst taxation services are specific, they could be covered by the broad term "business management". Further, the services are predominantly aimed at businesses, including self employed individuals but not the general public

49. In view of the above, I am of the opinion that the "business management" could include taxation related services. Therefore, there is a high degree of similarity between "business management" and "taxation services".


## Comparison of marks

50. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

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

52. The respective trade marks are shown below:

Earlier trade marks	Contested trade mark
1) AXYS CONSULTANTS 	AXIS ACCOUNTANTS axisaccountants
2)	

## Series

53. The application is a series of two, the second mark of the series is axisaccountants. Whilst the words axis and accountants are conjoined, I am of the opinion that the average consumer would view it as two words and I will, therefore, treat both marks in the series as the same.

## AXYS CONSULTANTS ('473) v AXIS ACCOUNTANTS

54. The first word of the contested mark is AXIS and the earlier registration is AXYS. The word AXIS means the line above which a rotating body such as the earth turns. This is a word that the average consumer would a) generally know what it means and, b) a word that they will have previously encountered. With regard to AXYS, this is an invented word which has no meaning.

55. The second words of the respective marks are CONSULTANTS and ACCOUNTANTS. Both of these merely describe the services being offered and the words AXIS and AXYS have greater overall weight and distinctiveness.

### *Aural*

56. During the hearing the applicant agreed that AXIS and AXYS “sound the same”. I agree with the applicant. With regard to ACCOUNTANTS and CONSULTANTS, the opponent claims that “Phonetically, the words CONSULTANTS and ACCOUNTANTS are similar”. This was contested by the applicant during the hearing and, once again, I agree with him. Since the dominant and distinctive element of each mark is AXIS and AXYS, whilst I do not discount the descriptors ACCOUNTANTS and CONSULTANTS, greater emphasis is placed on the first words. In view of this, I am of the opinion that the respective marks are aurally similar.

### *Visual*

57. Visually, except for the third letter of each first word being different, AXIS and AXYS are visually similar. The opponent claims that “Visually, the words CONSULTANTS and ACCOUNTANTS are similar, both containing the same number of letters and a number of common letters, not least the – TANTS suffix.”. The applicant disagreed, and so do I. Whilst the respective marks end with the same suffix, there is no doubt that overall CONSULTANTS and ACCOUNTANTS have no visual similarity. However, once again I must be mindful not to artificially dissect the marks but assess the visual similarity based on the overall impression. In this instance, whilst I conclude that the words CONSULTANTS and ACCOUNTANTS are not visually similar, they are completely descriptive. As the dominant and distinctive element of each mark is AXIS and AXYS, overall there is an high degree of visual similarity.

### *Conceptual*

58. Conceptually, the word AXYS has no English meaning, whereas AXIS means a line about which a rotating body, such as the earth, turns. I am satisfied that the average consumer for these services will know and understand its meaning.

59. The opponent, in their submissions, state that “consumers would understand it [AXYS] to be a deliberate play on the spelling of AXIS, which has an accepted and defined dictionary meaning in English”. I disagree. I am of the opinion that the average consumer will merely regard AXYS as an invented word. At best it may bring the word AXIS to mind, but not to the extent that it is a deliberate play on the normal spelling. In view of this, I am of the opinion that there is no conceptual similarity.



### **(‘739) v AXIS ACCOUNTANTS**

60. The opponent’s ‘739 registration consists of a number of elements, namely the invented word “axys”, the descriptive word “CONSULTANTS” and a device of a dolphin. The word “axys” is in lower case, above the descriptor “CONSULTANTS” and is in larger font. It is certainly more dominant and distinctive than

“CONSULTANTS”. To the right of the words is a fanciful drawing of the outline of a dolphin. It is independently distinctive but not as dominant as “axys”.

61. The application contains the words AXIS ACCOUNTANTS. For the reasons set out in paragraphs 54 to 59, I consider the words alone are similar. The question is whether the inclusion of a dolphin device changes this view.

62. In my view, the dolphin device contributes less to the overall distinctive character of the mark than “axys”. Therefore, the overall impression created by the earlier registration is, notwithstanding the presence of the dolphin device, likely to revolve around the words (in particular “axys”), rather than the device.

#### *Aural*

63. With regard to aural similarity, it is well established that when a trade mark consists of a combination of words and devices, it is by the word elements that the average consumer is most likely to refer to the trade mark. That is the case here. The opponent’s trade mark will be referred to as AXYS CONSULTANTS and the application as AXIS ACCOUNTANTS (AXYS being pronounced in the same way as AXIS and vice versa). Therefore, the respective marks are aurally similar.

64. For the avoidance of doubt, whether AXYS is in upper or lower case will have no bearing on aural similarity. They will be pronounced in the same way.

#### *Visual*

65. Visually, for the reasons set out in paragraph 56, I concluded that the respective words are similar. However, when you also take into account the distinctive dolphin device, the overall degree of visual similarity lessens. Notwithstanding this, there is an average degree of visual similarity.

#### *Conceptual*

66. I have already found that the respective word elements of the marks are not conceptually similar. The inclusion of a dolphin cannot assist the opponent’s claim to there being conceptual similarity.

#### **Distinctive character of the earlier trade mark**

67. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, based on either inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v Puma AG*, paragraph 24). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated in paragraphs 22 and 23:

“In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of

other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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

68. In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said at paragraphs 38 -40:

“The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.’

In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out”.

69. The opponent has stated that their annual turnover for 2010, 2011 and 2012 is in excess of €20m. The turnover is evidenced from the annual returns which were in French (English translations provided). They do not state how much of this turnover is for the UK or provide evidence that the mark has been used in the UK. Therefore, whilst turnover figures are high, they do not relate to the UK or indicate the overall size of the market, and what proportion of this market they have. In view of this, the opponent has not provided evidence showing that the distinctiveness of its marks has been enhanced through use.

70. From an inherent perspective, the opponent is relying upon two registrations. With regard to ‘739 this comprises of the invented word AXYS with the descriptive word CONSULTANTS and the device of a dolphin. The descriptive word CONSULTANTS may be discounted given its descriptive nature. With regard to the

dolphin device, there is no evidence that they are commonly used in the trade. Bearing in mind the services provided, the overall impression of the mark leads me to conclude that the mark has a high degree of distinctive character.

71. The opponent's registration no. '473 comprises AXYS and CONSULTANTS. The combination of an invented and descriptive word results in the mark having a high degree of distinctive character.

### **GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion**

72. In assessing the likelihood of confusion, I must take a number of factors into consideration. In *Bimbo SA v OHIM*, Case T-569/10, the General Court held at paragraph 96 that:

“According to the case-law, where goods or services are identical there may be a likelihood of confusion on the part of the public where the contested sign is composed by juxtaposing the company name of another party and a registered mark which has normal distinctiveness and which, without alone determining the overall impression conveyed by the composite sign, still has an independent distinctive role therein (Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 37). There may also be a likelihood of confusion in a case in which the earlier mark is not reproduced identically in the later mark (see, to that effect, Joined Cases T-5/08 to T-7/08 *Nestlé v OHIM – Master Beverage Industries (Golden Eagle and Golden Eagle Deluxe)* [2010] ECR II-1177, paragraph 60).”

73. *Medion AG v Thomsonmultimedia Sales Germany & Austria GmbH*, Case 120/04 provides key guidance on how to approach issues of similarity involving composite marks, as follows (paragraphs 29 -36 refer):

“In the context of consideration of the likelihood of confusion, 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, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see *Matratzen Concord*, paragraph 32).

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 and 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.

The finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark.

If such a condition were imposed, the owner of the earlier mark would be deprived of the exclusive right conferred by Article 5(1) of the directive even where the mark retained an independent distinctive role in the composite sign but that role was not dominant.

This would be the case where, for example, the owner of a widely-known mark makes use of a composite sign juxtaposing this mark and an earlier mark which is not itself widely known. It would also be the case if the composite sign was made up of the earlier mark and a widely-known commercial name. In fact, the overall impression would be, most often, dominated by the widely-known mark or commercial name included in the composite sign.

Thus, contrary to the intention of the Community legislator expressed in the 10th recital in the preamble to the directive, the guarantee of the earlier mark as an indication of origin would not be assured, even though it still had an independent distinctive role in the composite sign.

It must therefore be accepted that, in order to establish the likelihood of confusion, it suffices that, because the earlier mark still has an independent distinctive role, the origin of the goods or services covered by the composite sign is attributed by the public also to the owner of that mark.”

74. In *Aveda Corp v Dabur India Ltd* [2013] EWHC 589 (Ch), Arnold J. stated in paragraphs 47 and 48:

“In my view the principle which I have attempted to articulate in [45] above is capable of applying where the consumer perceives one of the constituent parts to have significance independently of the whole, but is mistaken as to that significance. Thus in *Bulova Accutron* the earlier trade mark was ACCURIST and the composite sign was BULOVA ACCUTRON. Stamp J. held that consumers familiar with the trade mark would be likely to be confused by the composite sign because they would perceive ACCUTRON to have significance independently of the whole and would confuse it with ACCURIST.

On that basis, I consider that the hearing officer failed correctly to apply *Medion v Thomson*. He failed to ask himself whether the average consumer would perceive UVEDA to have significance independently of DABUR UVEDA as a whole and whether that would lead to a likelihood of confusion.”

75. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle, i.e. a lesser



degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's trade marks since the more distinctive these trade marks are, the greater the likelihood of confusion. I must also keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon imperfect recollection.

76. Earlier in this decision I concluded that:

- The services will be acquired via a visual inspection of advertisements or aural referral.
- The average consumer will pay a higher than average degree of care and attention when choosing the respective services on offer.
- The registrations cover the identical “ business management” services. Business administration and office functions are identical to ‘739 services and highly similar to ‘473. Provision of business information and business consultancy are highly similar to ‘739 services and identical to ‘473. Accountancy and taxation services are similar to a moderate/high degree.
- Registration no. ‘473 is aurally and visually similar, but not conceptually. I reached the same conclusion for ‘739 but visually the marks are slightly less similar than ‘473. Overall, registration no. ‘473 is similar to a high degree and ‘739 to an-average degree.
- The earlier registrations both have a high degree of inherent distinctive character.

77. Whilst I bear in mind that there is a higher than average degree of care and attention when acquiring the services, this does not overcome the distinctiveness of the earlier registrations and the similarity between the marks and services. Therefore, I find that there is a likelihood of confusion.

## **Outcome**

**78. The opposition succeeds under section 5(2)(b). The application is refused.**

## **SECTION 5(3) of the Act**

79. Whilst the opponent has succeeded under section 5(2)(b), I shall also consider the opponent's claim under section 5(3). This section of the Act states:

“(3) A trade mark which –

- (a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) 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.”

80. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

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

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

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

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

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

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

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

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

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the

coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

81. The conditions required for a successful opposition under section 5(3) are cumulative<sup>2</sup>. There must be, 1) a sufficient reputation, 2) a link made between the trade mark application and the earlier mark(s) and, 3) if the hurdles of reputation and link are cleared, it is necessary to establish that at least one of the heads of damage that underpin section 5(3) is present, or that there is a foreseeable (non hypothetical) risk of such damage.

82. The first hurdle is reputation. "Reputation" for the purposes of Section 5(3) means that the earlier mark is known by a significant part of the public concerned with the products or services covered by that mark (paragraph 26 of the CJ U' s judgment in *General Motors*). The same judgment went on to state in paragraph 27:

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

83. In *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, the CJEU held in paragraphs 20 to 30 that:

"By its first question, the national court in essence asks the Court, first, to clarify the meaning of the expression 'has a reputation in the Community', by means of which, in Article 9(1)(c) of the regulation, one of the conditions is laid down which a Community trade mark must fulfil in order to benefit from the protection accorded by that provision and, second, to state whether that condition, from a geographical point of view, is satisfied in a case where the Community trade mark has a reputation in only one Member State.

The concept of 'reputation' assumes a certain degree of knowledge amongst the relevant public.

The relevant public is that concerned by the Community trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector (see, by way of analogy, *General Motors*, paragraph 24, with regard to Article 5(2) of the directive).

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<sup>2</sup> Intel Corporation Inc v CPM United Kingdom Ltd [2009] RPC 15

It cannot be required that the Community trade mark be known by a given percentage of the public so defined (*General Motors*, by way of analogy, paragraph 25).

The degree of knowledge required must be considered to be reached when the Community trade mark is known by a significant part of the public concerned by the products or services covered by that trade mark (*General Motors*, by way of analogy, paragraph 26).

In examining this condition, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it (*General Motors*, by way of analogy, paragraph 27).

In view of the elements of the main proceedings, it is thus for the national court to determine whether the Community trade mark at issue is known by a significant part of the public concerned by the goods which that trade mark covers.

Territorially, the condition as to reputation must be considered to be fulfilled when the Community trade mark has a reputation in a substantial part of the territory of the Community (see, by way of analogy, *General Motors*, paragraph 28).

It should be noted that the Court has already ruled that, with regard to a Benelux trade mark, it is sufficient, for the purposes of Article 5(2) of the directive, that it has a reputation in a substantial part of the Benelux territory, which part may consist of a part of one of the Benelux countries (*General Motors*, paragraph 29).

As the present case concerns a Community trade mark with a reputation throughout the territory of a Member State, namely Austria, the view may be taken, regard being had to the circumstances of the main proceedings, that the territorial requirement imposed by Article 9(1)(c) of the regulation is satisfied.

The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.

84. In *China Construction Bank Corporation v Groupement Des Cartes Bancaires*, Case BL O/281/14, Mr Ian Purvis Q.C. as the Appointed Person noted that the reputation of a CTM outside the UK will not normally be sufficient for the UK public to

link the CTM with a later UK mark and therefore for the use of that mark to cause detriment or take unfair advantage of the CTM. Mr Purvis stated in paragraph 41:

“If the reputation of the earlier mark does not extend to the United Kingdom, it is difficult to see how (at least in the usual case) it could be damaged by use of a mark in the United Kingdom, or that such use could be said to take unfair advantage of the earlier mark. For one thing, the necessary ‘link’ between the marks in the mind of the average consumer which must be established in any case which relies on the extended protection (see *Adidas-Salomon v Fitnessworld* [2004] ETMR 10) would not exist. There is certainly no evidence in the present case which explains how any ‘link’ could be made in the UK absent a reputation here.”

85. I have no hesitation in concluding that the opponent’s section 5(3) claim falls at the first hurdle. Whilst evidence of use has been provided, it all relates to France. Therefore, there is no evidence to support the claim that the earlier marks have a reputation in a substantial part of the relevant territory (i.e. the UK).

## **Outcome**

**86. The objection under section 5(3) of the Act fails.**

## **COSTS**

87. The opponent has been successful and is entitled to a contribution (rather than compensation) towards its costs. The Registrar normally awards costs from the scale published in Tribunal Practice Notice 4/2007 (which can be viewed on the website of the Intellectual Property Office). I award the opponent the sum of £1200 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official fee £200  
Preparing a statement and considering the other side’s statement £200  
Preparing evidence £500  
Preparing and filing submissions in lieu of a hearing £300

88. I therefore order Harish Ramchandani to pay Axys Consultants the sum of £1200. The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 25th day of February 2015**

**Mark King  
For the Registrar,  
the Comptroller-General**