

BLO/043/17

TRADE MARKS ACT 1994

IN THE MATTER OF TWO APPLICATIONS
BY ADVANTAGE TRAVEL CENTRES LIMITED
TO REGISTER No 3167622 FOR A SERIES OF TWO TRADE MARKS
IN CLASSES 39 AND 40:



AND APPLICATION No 3167625
TO REGISTER A SERIES OF TWO TRADE MARKS
IN CLASSES 35 AND 41:



AND THE OPPOSITIONS THERETO UNDER NOS 407549 AND 407550
BY AMERICAN AIRLINES INC.

BACKGROUND

1. Trade marks 3167622 and 3167625 (both for the series of two marks shown on the cover page of this decision) were applied for by Advantage Travel Centres Ltd (“the applicant”) on 2 June 2016 and the specifications stand as follows:¹

3167622

Class 39

Travel and passenger transportation services; arranging travel and transportation; travel agency and tour operating services; organising of tours, trips, journeys and excursions; travel reservation services; booking agency services for travel; travel ticket reservation services; ticket booking services for travel; issuing of tickets for travel; electronic information services relating to travel and tourism; travel courier and travel guide services; transportation and escorting of passengers and luggage; arranging of vehicle hire; information, advisory and consultancy services in relation to all of the aforesaid.

Class 43

Temporary accommodation; accommodation reservation services; accommodation bureau services; hotel services; providing and rental of holiday homes, holiday flats and apartments; providing room reservation and hotel reservation services; electronic information services relating to travel accommodation; services for providing food and drink; restaurant, bar and catering services; rental of meeting rooms; provision of day care services for infants and/or children; information, advisory and consultancy services in relation to all of the aforesaid.

3167625

Class 35

Business consultancy services; business management consultancy services; business advisory services; business guidance services; business strategy services; business planning services; business support services; business information services; marketing services; promotional services; advertising; distribution of advertising, marketing and promotional material; arranging and conducting of trade shows; organisation of exhibitions and events for commercial or advertising purposes; business networking;

¹ *International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).*

operation, organisation and supervision of membership schemes; negotiation of commercial transactions for third parties; negotiation of contracts relating to the purchase of goods and services; procurement services for others; organisation and administration of purchasing collectives; organisation, operation and supervision of discounts through bulk purchasing; information, advisory and consultancy services in relation to all of the aforesaid.

Class 41

Education and training services; entertainment services; arranging and conducting of exhibitions, events, conferences, meetings, seminars and workshops; information, advisory and consultancy services in relation to all of the aforesaid.

2. The applications were published on 1 July 2016, following which American Airlines Inc. (the opponent) filed notices of opposition against all of the services in both applications.

3. The opponent bases its case on section 5(2)(b) of the Trade Marks Act 1994 (the Act) and relies upon the following trade marks:

Mark details:	Services relied upon in these proceedings:
<p>EUTM: 8125304</p>  <p>Filed: 26 February 2009</p> <p>Registered: 14 March 2013</p>	<p>Class 35</p> <p>Advertising, including management, operation, organisation and supervision of customer and business incentive, loyalty and promotional schemes: advertising, including incentive, loyalty and promotional card services; advertising, including incentive, loyalty and promotional scheme services; business management; business administration; office functions, promotional services, namely, promoting the goods and services of others by means of an incentive awards program, whereby purchase points are awarded for purchases made by vendor subscribers or travel conducted by member subscribers which can then be redeemed for merchandise products; online retail services in the field of chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry, paints, varnishes, lacquers, bleaching preparations and other substances for laundry, cleaning, polishing scouring and abrasive preparations, soaps, perfumery, essential oils, cosmetics, hair lotions, dentifrices, pharmaceutical and veterinary preparations, sanitary preparations for medical purposes, dietetic substances adapted for medical use, food for babies, plasters, materials for dressings, disinfectants, preparations for destroying vermin, fungicides, pesticides,</p>

hand tools and implements (hand operated), cutlery, razors, scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life saving and teaching apparatus and instruments, apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity, apparatus for recording, transmission or reproduction of sound, images or data, Compact Discs, DVD's, computer and computer equipment, electronic entertainment devices, glasses, sunglasses, apparatus for lighting, heating, steam generating, cooking, refrigeration, drying, ventilating, water supply and sanitary purposes, vehicles, apparatus for locomotion by land, air or water, firearms, ammunition and projectiles, explosives, fireworks, precious metals and their alloys and goods in precious metals or coated therewith, jewelry, precious stones, watches, musical instruments, paper, cardboard and goods made from these materials, not included in other classes, printed matter, stationery, photographs, artists' materials, paint brushes, typewriters and office requisites, instructional and teaching material, leather goods and imitations of leather goods, trunks, suitcases, travelling bags, umbrellas, parasols and walking sticks, furniture, mirrors, picture frames, goods of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone shell, amber, mother-of-pearl, meerschaum and substitute for all these materials, or of plastics, household or kitchen utensils and containers, combs and sponges, articles for cleaning purposes, glassware, porcelain, textile and textile goods, bed and table covers, clothing, footwear, headgear, carpets, rugs, mats and matting, linoleum and other materials for covering existing floors, wall hangings, games and playthings, gymnastic and sporting articles, food, coffee, tea, agricultural and forestry products and grains, live animals, fresh fruits and vegetables, seeds, natural plants and flowers, foodstuffs for animals, juices, alcoholic and non alcoholic beverages, tobacco, cigarettes, smokers articles.

Class 39

Transport; packaging and storage of goods; travel arrangement, air transport of passengers, cargo and freight; providing vehicle reservation services for others and providing travel reservation services for others by means of an incentive rewards program.

Class 41

Education; providing of training; entertainment; sporting and cultural activities, providing online electronic

	<p>publications, namely an online magazine and an online newsletter.</p> <p>Class 43 Services for providing food and drink; temporary accommodation, providing food and beverage services for others and hotel accommodation services for others by means of an incentive rewards program, namely, providing hotel accommodation reservation services for others and providing restaurant reservation services for others.</p>
<p>UKTM: 3087256</p> <p>AADVANTAGE</p> <p>Filed: 23 December 2014</p> <p>Registered: 5 June 2015</p>	<p>Class 35 Sales promotion; promoting the goods and services by means of loyalty program, discount program, and an incentive awards program whereby purchase points are earned or awarded for purchases made from vendor subscribers or travel conducted by member subscribers which can then be redeemed for merchandise and travel; arranging subscriptions to private club membership; promoting the goods and services by means of providing an on-line shopping mall with links to the retail web sites of others in the field of books, computers, software, office supplies, consumer electronics, music, sporting and recreational equipment, gifts, travel items, apparel, jewelry, health and beauty, toys, travel, home and garden-related items, and general retail merchandise.</p> <p>Class 36 Issuing redeemable cards of value.</p> <p>Class 39 Air transport of passengers, cargo, and freight; providing travel agency services, namely, providing travel reservation services, air transportation reservation services, cruise reservation services, and vacation reservation services by means of an incentive rewards program.</p> <p>Class 43 Providing food and beverage services for others and hotel accommodation services for others by means of an incentive rewards program, namely, providing hotel accommodation reservation services for others and providing restaurant reservation services for others.</p>

4. The applicant filed counterstatements in which it denies the ground on which the oppositions are based.

5. Both sides filed evidence and skeleton arguments. A hearing subsequently took place before me, by video conference. The applicant was represented by Mr Sam Carter of Counsel, instructed by Wilson Gunn. The opponent was represented by Mr Douglas Campbell of Counsel, instructed by Taylor Wessing LLP. Both sides seek an award of costs.

Evidence

Opponent's evidence

Witness statement of Bridget Blaise-Shamai and exhibits BBS1 – BBS26

6. Ms Blaise-Shamai is the opponent's Vice President of Customer Loyalty and Insight, a position she has held since 2016. Her statement is dated 10 February 2017 and relates to the nature of the opponent's business, inter alia, its scope, partnership agreements and loyalty scheme.

Applicant's evidence

Witness statement of Julia Lo Bue-Said and exhibits JLB-S-01 & JLB-S-02

7. Ms Lo Bue-Said is the Managing Director of the applicant, a position she has held since July 2013. Her statement is dated 12 April 2017 and provides details of the nature of the applicant's business. Ms Lo Bue-Said's evidence relates to the applicant's change of name and other companies operating in the travel industry with 'Advantage' in their name.

Additional evidence filed by the opponent

8. Following the filing of the parties' skeleton arguments the opponent requested to file the following further evidence in response to points raised in the applicant's skeleton arguments.

Witness statement of Mr Christopher James Benson and exhibits CJB1-CJB3

9. The second of the three exhibits attached to the further witness statement is not evidence but relates to earlier cases decided in other jurisdictions in which the opponent has been successful.

10. The remaining exhibits attached to the statement relate to the use of ADVANTAGE as a trade mark. The opponent provided examples of its mark in use in response to the applicant's submission that ADVANTAGE is a laudatory term that cannot function as a trade mark. It supports this with prints taken from the UK register of other 'ADVANTAGE marks. The applicant was of the view that the additional evidence did not advance the opponent's case. Having heard submissions from both sides, In the interest of making a decision based on all of the relevant material, I allowed the evidence to be admitted.

11. Whilst I have listed all of the evidence filed by the parties, I do not intend to summarise it further but will refer to it and the respective submissions as necessary below.

Preliminary issues

12. The applications are, in each case, for a series of two marks where one is presented in colour and the other is shown in greyscale. No claim is made to colour and nothing turns on the colour in the marks for the purposes of these proceedings. Consequently, I will refer to the marks in greyscale, by which I mean also to include the equivalent colour version of the mark.

13. I note that in its skeleton argument the applicant made submissions concerning a claim by the opponent to a family of marks. This was not pursued by the opponent at the hearing and no evidence has been supplied in support of such a claim. I will say no more about it.

14. The applicant draws my attention to a number of earlier cases at EUIPO where the opponent was unsuccessful relying on similar marks. The applicant subsequently filed similar cases in a number of jurisdictions where it was successful. In all cases the marks at issue were not on all fours with the marks and services at issue in these cases. The decision makers in those cases relied on the facts and submissions before them in reaching a decision and I must do the same.

15. At the hearing, and in its skeleton argument, the applicant submitted that the parties have been trading side by side for a number of years and there has been no confusion to date. No evidence has been filed in support of this position. The case law is clear that absence of actual confusion is rarely significant and, in a trade mark case, may be due to

matters unrelated to the opponent's registered trade marks.² Absent evidence, I cannot consider this point and will say no more about it.

DECISION

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

“5. - (2) A trade mark shall not be registered if because -

(a)...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, or

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

17. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6.-(1) In this Act an “earlier trade mark” means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.

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

18. The marks relied upon by the opponent are earlier marks which are not subject to proof of use, as per section 6A of the Act, having not been registered for five years at the date of publication of the applications.

² See *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220 and *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283.

5(2)(b) case law

19. 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:

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

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

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

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

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

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

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

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

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

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

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

Comparison of services

20. At paragraph 32 of its skeleton argument, the applicant states:

“It is conceded by the Applicant that substantial portions of the specification of the applications are identical with or similar to services for which the Opponent’s Marks are registered (although there are also aspects of the specifications which are dissimilar).”

21. In schedule 1 to its skeleton argument the applicant provides a breakdown of the services in its specifications and identifies which of them it finds to be identical or similar to terms contained in the specifications of the opponent’s earlier marks. They are as follows:

UKTM: 3167622



Identical services

Class 39 - Travel and passenger transportation services; arranging travel and transportation; travel agency and tour operating services; organising of tours, trips, journeys and excursions; travel reservation services; booking agency services for travel; travel ticket reservation services; ticket booking services for travel; transportation and escorting of passengers and luggage; arranging of vehicle hire.

Class 43 - Temporary accommodation; accommodation reservation services; hotel services; providing room reservation and hotel reservation services; services for providing food and drink; restaurant, bar and catering services.

Similar services

Class 39 - Issuing of tickets for travel; electronic information services relating to travel and tourism; travel courier and travel guide services; information, advisory and consultancy services in relation to all of the aforesaid.

Class 43 - Providing and rental of holiday homes, holiday flats and apartments; electronic information services relating to travel accommodation; information, advisory and consultancy services in relation to all of the aforesaid.

Services not identical or similar

Class 43 - Accommodation bureau services; rental of meeting rooms; provision of day care services for infants and/or children.

UKTM: 3167625



Identical services

Class 35 - Marketing services; promotional services; advertising; operation, organisation and supervision of membership schemes;

Class 41 - Education and training services; entertainment services;

Similar services

Class 35 - Business consultancy services; business management consultancy services; business advisory services; business guidance services; business strategy services; business planning services; business support services; business information services; distribution of advertising, marketing and promotional material; information, advisory and consultancy services in relation to all of the aforesaid.

Class 41 - Information, advisory and consultancy services in relation to all of the aforesaid.

Services not identical or similar

Class 35 - Arranging and conducting of trade shows; organisation of exhibitions and events for commercial or advertising purposes; business networking; negotiation of commercial transactions for third parties; negotiation of contracts relating to the purchase of goods and services; procurement services for others; organisation and administration of purchasing collectives; organisation, operation and supervision of discounts through bulk purchasing.

Class 41 – Arranging and conducting of exhibitions, events, conferences, meetings, seminars and workshops

22. The opponent filed lists of services which it submits are identical in the parties' respective specifications. It goes no further than the conflicts identified by the applicant, save for 'accommodation bureau services' in class 43 of the applicant's Advantage Holidays mark, number 3167622, which it claims is identical to services in both of its earlier mark specifications.

23. In *Gérard Meric v Office for Harmonisation in the Internal Market*,³ the General Court stated that:

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

24. Accommodation bureau services are essentially services provided by a business that finds accommodation for its customers. These are services that are included within the opponent’s ‘temporary accommodation’,⁴ ‘hotel accommodation’ and ‘hotel accommodation reservation’ services⁵ and I find them to be identical in accordance with *Meric*.

25. The opponent maintains its opposition against all of the applicant’s services but makes no submissions with regard to the following:

3167622

Class 43 - Rental of meeting rooms; provision of day care services for infants and/or children.

3167625

Class 35 - Arranging and conducting of trade shows; organisation of exhibitions and events for commercial or advertising purposes; business networking; negotiation of commercial transactions for third parties; negotiation of contracts relating to the purchase of goods and services; procurement services for others; organisation and administration of purchasing collectives; organisation, operation and supervision of discounts through bulk purchasing.

Class 41 - Arranging and conducting of exhibitions, events, conferences, meetings, seminars and workshops.

³ Case T- 133/05

⁴ Class 43 of the EUTM relied on by the opponent.

⁵ Class 43 of each of the earlier rights relied on by the opponent.

26. Therefore, I need to consider the level of similarity of these services with those of the opponent. When making the comparison, all relevant factors relating to the goods and services in the specification should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, the Court of Justice of the European Union (CJEU) stated at paragraph 23 of its judgment:

“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”.

27. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case,⁶ where he identified the factors for assessing similarity as:

- 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.

⁶ [1996] R.P.C. 281

28. I also remind myself of the guidance given by the courts on the correct approach to the interpretation of specifications. In *YouView TV Ltd v Total Ltd*,⁷ Floyd J. (as he then was) stated that:

“[...] Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of ‘dessert sauce’ did not include jam, or because the ordinary and natural description of jam was not ‘a dessert sauce’. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question”.

29. In *Avnet Incorporated v Isoact Limited*,⁸ Jacob J. (as he then was) warned against construing specifications for services too widely, stating that:

“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”.

30. In the absence of any submissions from the opponent and having considered the nature of the goods and services, their intended purpose, their method of use and whether they are in competition with each other or are complementary, I can find no meaningful areas in which any of the opponent’s services coincide with the applicant’s provision of day care services for infants and/or children or rental of meeting rooms in class 43 (3167622) or the applicant’s services for business networking; negotiation of commercial transactions for third parties; negotiation of contracts relating to the purchase of goods and services; procurement services for others; organisation and administration of purchasing collectives or

⁷ [2012] EWHC 3158 (Ch)

⁸ [1998] F.S.R. 16

organisation, operation and supervision of discounts through bulk purchasing in class 35 (3167625).

31. There are two groups of services remaining in the specification for 3167625. The first of these is 'arranging and conducting of trade shows; organisation of exhibitions and events for commercial or advertising purposes' in class 35. These terms falls within the broad term 'advertising'⁹ in the class 35 specification of the opponent's EU mark 8125304 and are therefore identical in accordance with the decision in *Meric*.

32. The second group of services in the application is 'arranging and conducting of exhibitions, events, conferences, meetings, seminars and workshops' in class 41. The opponent's specification in class 41 stands registered for 'education, training, entertainment or sporting and cultural activities' in class 41.¹⁰ Given that the services offered by the applicant are likely to be related to education, training, entertainment, sport or culture and that the 'activities' in the opponent's specification may take the form of the services offered by the applicant, I find these to be identical in accordance with the decision in *Meric*.

33. In reaching these conclusions, I have borne in mind the decisions in cases such as *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*¹¹ and *Roger Maier and Another v ASOS*¹², which held that specifications should reflect the perceptions of the average consumer of the goods and services concerned.

The average consumer and the nature of the purchasing act

34. In accordance with the above cited case law, I must determine who the average consumer is for the goods at issue and also identify the manner in which those goods will be selected in the course of trade.

35. 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*¹³, Birss J. described the average consumer in these terms:

⁹ I bear in mind the term 'advertising' in the opponent's specification is followed by a list of services beginning, 'including' but this does not limit the breadth of the term which is taken to be advertising at large.

¹⁰ The same events relating to business or advertising would be properly classified in class 35.

¹¹ BL O/345/10

¹² [2015] EWCA Civ 220

¹³ [2014] EWHC 439 (Ch)

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

36. The opponent states:

“There are 4 different classes of services across the 2 applications being opposed, and the average consumer will vary accordingly. It is submitted that in each case the degree of attentiveness can only be described as ‘average’. Someone buying the holiday of a lifetime would take care with that particular purchase, but the relevant goods and services are not so restricted and cover a wide range of price points. In any case, imperfect recollection continues to play a role.”

37. The average consumer in this case is a member of the general public or a business. The nature of the purchase is likely to be primarily visual, the average consumer encountering the services and trade marks on the internet, in a catalogue, in literature, through advertising or at the point of purchase such as in store. However, there may also be aural considerations as it is likely that enquiries may be made or advice sought, prior to or during the purchase of some of these services.

38. The level of attention paid to the purchase will vary according to the nature of the services. A person planning a detailed travel itinerary or a business engaging the services of a business consultant are both likely to pay a higher degree of attention than someone looking up basic travel information online. Taking into account the nature of the services, the level of attention paid will be at least reasonable as the consumer will need to ensure that the service fits their particular requirements.

Comparison of marks

39. In making a comparison between the marks, I must consider the respective marks' visual, aural and conceptual similarities with reference to the overall impressions created by them, bearing in mind their distinctive and dominant components¹⁴ but without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

40. Both parties made general points with regard to both marks. The applicant submits:

“34. The marks must be compared as a whole. The Applicant’s Marks do not have a dominant element, and the word ‘ADVANTAGE’ does not play an independent distinctive role within them.

36. Both the Opponent’s Marks and the Applicant’s Marks include the word ADVANTAGE. That is where the similarities end. Put bluntly, the Applicant’s Marks and the Opponent’s Marks are dissimilar; or if they are similar, it is to an extremely low degree.”

41. The opponent submits that both of its earlier marks start with AA, not a single A and draws the following conclusions:

32. First, assume that the average consumer of the relevant goods and services would notice the AA at the beginning of both earlier marks. The main impression conveyed by the earlier marks is still the ADVANTAGE part thereof. The same is true when considering either of the marks applied for.

33. However it cannot be denied that the human eye has a tendency to see what it expects to see: Enterprise Holdings v Europcar Group [2015] FSR 22 at [202]. There is a real possibility that the average consumer may not notice the AA at the beginning of the earlier marks. This is so even though the double A is a deliberate step taken by the Opponent (it mirrors the abbreviation of its name,

¹⁴ *Sabel v Puma AG, para.23.*

American Airlines). It may happen with both the logo mark and the word mark - indeed it is debatable which AA is more likely to be missed.

42. Given the differences between the two applications, I will make each comparison with the opponent's earlier marks separately and in turn. The first comparison is as follows:

The opponent's marks	The applicant's mark: 3167622
	
<p data-bbox="300 792 667 846">AADVANTAGE</p>	

43. The opponent submits:¹⁵

“1) The ‘622 application is dominated by the legend ‘ADVANTAGE HOLIDAYS BY ADVANTAGE’. However large one makes the word HOLIDAYS, the only distinctive part is the word ‘ADVANTAGE’ when used in relation to the particular services in classes 39 and 43 for which protection is sought. The “HOLIDAYS” part simply tells you what the Applicant’s business is.”

44. The applicant submits in its skeleton argument:

“35. If the Opponent’s Marks have an independently or particularly distinctive or dominant element, it is ‘AA’, not ‘ADVANTAGE’. In fact, again they should be viewed as a whole.”

45. The applicant further submits:

“37. Visually, the differences include:

¹⁵ Paragraph 32 of its skeleton argument.

(1) The Applicant's Marks are both four words long. All four words contribute to the overall impression created by the Applicant's Marks. The Opponent's Marks are a single word.

(2) There is no element in the Opponent's Marks which is similar to the words 'HOLIDAYS BY' or 'THE... TRAVEL PARTNERSHIP' in the Applicant's Marks.

(3) The double (capitalised) 'AA' or 'AA' logo in the Opponent's marks has a significant visual effect which is not present in the Applicant's Marks.

(4) The Applicant's Marks feature multiple lines of text. The Opponent's Marks are a single word on a single line.

(5) The Applicant's Marks feature distinctive devices in the top right; there is no similar element in the Opponent's Marks.

(6) The Eagle Mark features a distinctive device in the 'AA' logo; there is no similar element in the Applicant's Marks."

46. The opponent concludes that all of the parties' marks are visually highly similar.

47. The first of the opponent's marks is the letter A, followed by a device which is described by the parties as an eagle. I am not persuaded that the average consumer would see the device as such, though it may be seen as a bird or wings. It is followed by the word ADVANTAGE. The letters are presented in bold black with the first two A's capitalised and the remainder, 'dvantage' presented in lower case. None of the letters has any additional stylisation. The mark is presented on a pale grey/lilac background which is unlikely be noticed by the average consumer, but even if it were, it is unlikely to be given any origin significance. The bird will not go unnoticed but it is the letters A Advantage which dominate the overall impression of the mark.

48. The opponent's second mark comprises the letters AADVANTAGE in plain capital letters with no additional stylisation. The overall impression rests in the mark as a whole.

49. The largest word in the applicant's mark is 'Holidays' which is positioned at the centre of the mark. It is presented in a plain typeface with a capital H and the remaining letters in

lower case. Above 'Holidays' is the word 'Advantage', aligned to the left, in a smaller font, it finishes above the letter 'y' of 'Holidays'. It is followed, on the same line, by a six pointed star made from six equilateral triangles, one of which is a shade darker than the others. In the context of the word 'Holidays' it may be seen to represent the sun. Below the word 'Holidays', aligned to the left and in a smaller font than the other two, are the words 'by Advantage'.

50. The majority of services for which this mark is applied relate to travel and holidays. Accordingly, the word 'Holidays' will be seen as the subject of those services and is non-distinctive. Similarly, the device element will either be seen as the sun and, for the same reasons lacks distinctiveness for the services; or, if seen as a device which has no meaning, does not play a significant role in the overall impression of the mark, due to its size, placement and fairly commonplace presentation.

51. The words 'by Advantage' clearly give an origin message to the average consumer and reinforce the word 'Advantage' at the beginning of the mark. I note that the applicant claims that 'Advantage' is a laudatory word and lacks distinctiveness. I agree that it is a word that is sometimes used in a laudatory sense but that does not mean that it automatically results in a finding that it is entirely non-distinctive for all goods and services. It does not directly describe the services in question here and is clearly higher in distinctiveness than the word 'holiday' for the same services. It is the 'Advantage' elements in this mark that play the greater role in the overall impression of the mark.

Visual similarities

52. Visual similarity rests in the fact that the applicant's mark includes the word 'Advantage' at the top and bottom of the mark while both of the opponent's earlier marks also include the word 'Advantage'. I take the applicant's point that the opponent's earlier marks do not stand registered for the word 'Advantage' solus and that is clearly true. However, that does not mean that the average consumer would not notice the word 'Advantage' within the opponent's earlier registrations. Overall, I find the parties' marks to have a medium degree of visual similarity. In reaching this conclusion I have considered the bird element in the first of the opponent's earlier rights, but do not find that it makes a material difference to the conclusion of medium visual similarity overall.

Aural similarities

53. The opponent submits:

“35. Much the same reasoning applies here [as the visual similarity]. Even if consumers pronounce the earlier marks “ay – advantage”, then the word ADVANTAGE is clearly distinguishable. The common element to all the marks is ADVANTAGE. Although the additional words in the two marks applied for make a difference, the significance of this difference is limited given their descriptive nature.”

54. The applicant submits:

“38. Aurally, many of the same differences are present mutatis mutandis. Further differences include:

(1) The Applicant’s Marks have an entirely different rhythm to the Opponent’s Marks.

(2) It is not clear how the Opponent’s Marks are pronounced, but the ‘AA’ element may lead to a pronunciation which is different from the pronunciation of the word ‘ADVANTAGE’ in the Applicant’s Marks.”

55. The applicant’s mark will be spoken as either ‘Advantage Holidays by Advantage’ or, if the mark is shortened, which is likely, ‘Advantage Holidays’. The opponent’s marks will either be pronounced ‘Ay – Advantage’ or, if the average consumer doesn’t notice, or chooses not to articulate the double A at the start of the marks, ‘Advantage’. It is more likely that the first of the opponent’s marks will be pronounced ‘Ay- Advantage’ as the bird device provides a break between the two letter ‘A’s. Taking all of these factors into account, I find the marks to have a medium degree of aural similarity.

Conceptual similarities

56. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.¹⁶ The assessment must be made from the point of view of the average consumer who cannot be assumed to know the meaning of everything.¹⁷

57. The opponent submits that the concept of both earlier marks includes ADVANTAGE whether or not the average consumer notices the double A. The applicant submits that its mark includes the concept of holidays and a star, neither of which is present in the earlier marks. It concludes:

“Both the Opponent’s Marks use a double ‘AA’ spelling, so that the word ‘AADVANTAGE’ is spelt in an unusual and fanciful way that conveys a concept different to that conveyed by the ordinary English word ‘ADVANTAGE’. In particular, the ‘AA’ spelling and the eagle device mean that both the Opponent’s Marks convey the concept of American Airlines. The Applicant’s Marks do not use this unusual spelling, and therefore do not convey the same concept.”

58. I agree that the opponent’s marks are not simply the single word ‘Advantage’ but include an additional A and in the case of the first earlier right, also the small bird device. However, the concept which will be conveyed to the average consumer by both earlier marks is the meaning that rests in the common English word ‘advantage’.

59. The application includes the word ‘Advantage’ twice. The message given to the average consumer by the mark is that of Advantage Holidays, provided by Advantage. The device will either be taken to be a sun, thus informing the word ‘Holidays’ for a mark which is used in relation to services associated with holidays, or, if it is not seen as the sun then it does not give the consumer a conceptual message at all. The mark clearly indicates that the undertaking providing the services is ‘Advantage’ resulting in ‘Advantage’ playing a greater role in the conceptual impression of the mark. I find the parties’ marks to possess a high degree of conceptual similarity.

60. The second comparison is as follows:

¹⁶ This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

¹⁷ See the comments of Anna Carboni, sitting as the Appointed Person in *Chorkee*, BL O/048/08, paragraphs 36 and 37.

The opponent's marks	The applicant's mark
	
<p data-bbox="320 517 687 568">AADVANTAGE</p>	

61. Clearly, my findings with regard to the opponent's marks are the same as those in the comparison above.

62. The largest word in the applicant's mark is the word Advantage, which takes a central position. It has a capital 'A' with the remaining letters in lower case and is presented in a plain typeface with no additional stylisation. Above it, aligned to the left, is the word 'The', which is smaller and in the same unadorned font. At the top right of the mark is a device made up of three equilateral triangles, each a slightly different shade to the others, which combine to form a larger triangle. Below the word 'Advantage' are the words 'Travel Partnership', aligned to the right. The central word 'Advantage' and the word 'Partnership' are emboldened compared to the rest of the words. The words, 'Travel Partnership', are low in distinctiveness for some of the services, where they relate to travel. Overall, it is the word 'Advantage' and the device which dominate the overall impression of the mark.

63. Visually, similarity rests in the fact that the word 'Advantage' is clearly visible within the opponent's marks and is the central, largest and dominant word in the applicant's mark. Differences include the additional 'A' in both of the opponent's marks and the bird device in the first of its earlier rights as well as the device and words 'The' and 'Travel Partnership' in the applicant's mark. Overall, I find these marks to have a medium degree of visual similarity.

64. Aurally, as before, the opponent's marks will either be pronounced 'Ay – Advantage' or, if the average consumer doesn't notice, or chooses not to articulate the double A at the start of the marks 'Advantage'. It is more likely that the first of the opponent's marks will be pronounced 'Ay- Advantage' as the bird device provides a break between the two letter 'A's'. The application comprises common English words and will be pronounced accordingly. It is

possible that it may be shortened by omitting 'The'. In either case, I find the marks to have a medium degree of aural similarity.

65. With regard to conceptual similarities, the applicant submits:

"39. Conceptually, many of the same differences are present mutatis mutandis. Further differences include:

(2) The Partnership Mark conveys the concepts of a travel partnership, and a triangle. These concepts are not present in the Opponent's Marks.

(3) The Eagle Mark conveys the concept of an eagle. This concept is not present in the Applicant's Marks."

66. For the same reasons as previously outlined, the concept which will be conveyed to the average consumer by both earlier marks is the meaning that rests in the common English word 'advantage'. The device in the applicant's mark gives no conceptual message. The words 'Travel Partnership' are non-distinctive for the services relating to travel. For the remaining services they are informed by the word 'Advantage' which clearly gives an identifier to the 'Travel Partnership'. I find the essential message of all of these marks which will be conveyed to the average consumer to be dominated by the word 'Advantage'. Accordingly, I find the marks to share a fairly high degree of conceptual similarity.

Distinctive character of the earlier marks

67. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been used as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger*.¹⁸

68. The opponent has filed evidence in support of its claim to enhanced distinctive character. It concludes:

¹⁸ *Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.*

“...The Opponent’s use in the UK has been intensive over a long period; the investment has been substantial; and its AADVANTAGE scheme has millions of UK members.”

69. The applicant concludes:

“29. Insofar as it is relevant, the Opponent’s evidence demonstrates that:

(1) The Opponent’s Marks are likely to enjoy enhanced distinctiveness in relation to their registrations for loyalty and promotional scheme services or loyalty and promotional card services, as a result of the use that has been made of them in the UK.

(2) The Opponent’s Marks are unlikely to enjoy enhanced distinctiveness in respect of the majority of their specifications.

(3) The Opponent’s Marks are frequently (or even typically) used alongside or in combination with other trade marks such as AMERICAN AIRLINES, the AA logo, or ONEWORLD.

(4) This evidence therefore does not demonstrate (or is less effective to demonstrate) that a significant proportion of the relevant class of persons perceives the relevant services as originating from the Opponent’s undertaking because of the Opponent’s Marks (as opposed to the other trade marks which are typically or frequently also present).”

70. I agree with the applicant that any claim to enhanced distinctiveness cannot go beyond the opponent’s loyalty scheme. Having considered the evidence and submissions made to me at the hearing, it is clear that where the opponent’s consumers use the loyalty points accrued through the scheme in order to book hotels or hire a car, the customer is directed to those particular hire car or hotel businesses in order to make their bookings. They do not make them with the AADVANTAGE scheme.

71. For reasons that will become apparent, the extent of the opponent's enhanced distinctiveness does not alter the outcome of this decision so I will not consider it in any further detail.

72. In terms of its inherent distinctiveness, the opponent submitted throughout the hearing that the distinctiveness of the word 'Advantage' is non-existent meaning that the only distinctiveness resting in the earlier marks must be in the double A at the beginning and the bird device in the first of the opponent's earlier rights.

73. Whilst I agree with the opponent that 'Advantage' is a laudatory word, I do not find that it entirely lacks distinctiveness in these cases and, in any event, the opponent's marks do have additional elements beyond the plain word. The double A in the first mark is more readily noticed, due to the bird device which sits between the double As, making the duplication of letters more obvious. In the second earlier right it is possible that the double A may go unnoticed but I think it is more likely that it would be noticed but may not be pronounced in the second mark. Overall I find these marks to have a low-medium degree of inherent distinctive character, with the second mark slightly lower than the first.

Likelihood of confusion

74. Where there is no similarity between the parties' services, there can be no likelihood of confusion¹⁹. In *eSure Insurance v Direct Line Insurance*,²⁰ Lady Justice Arden stated that:

"49. ...I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.

75. Consequently, there can be no likelihood of confusion in respect of the following services in the application:

¹⁹ *Waterford Wedgwood plc v OHIM – C-398/07 P (CJEU)*

²⁰ [2008] ETMR 77 CA

Trade mark application 3167622

Class 43

Day care services for infants and/or children or rental of meeting rooms.

Trade mark application 3167625

Class 35

Business networking; negotiation of commercial transactions for third parties; negotiation of contracts relating to the purchase of goods and services; procurement services for others; organisation and administration of purchasing collectives or organisation, operation and supervision of discounts through bulk purchasing.

76. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.²¹ I must also keep in mind the average consumer for the goods, the nature of the purchasing process and have regard to the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa.

77. I have made the following findings:

- The average consumer is a member of the general public or business.
- The level of attention paid to the purchase will vary. That said, the services will require at least a reasonable degree of attention to be paid.
- The purchase will be primarily a visual one, though there may also be an aural element where advice is sought prior to purchase.
- The parties' marks possess medium visual similarity, medium aural similarity and at least a fairly high conceptual similarity.
- The earlier marks have a low to medium level of inherent distinctive character.

78. In this case, taking into account the nature of the average consumer, the nature of the purchase, the level of attention to be paid to the purchase of these goods and the differences

²¹ *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27

between them which I have highlighted, I find that the marks would not be directly confused with one another. However, I do find that the average consumer would confuse the marks indirectly. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, Mr Iain Purvis Q.C. as the Appointed Person defined indirect confusion in the following terms:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.’”

79. The services are identical (or highly similar). Taking into account the degree of similarity between the marks and the nature of the purchase being made, I find that an average consumer, familiar with one of the parties’ marks, subsequently encountering the other mark(s) would believe that the services originated from the same or linked undertakings. In reaching such a conclusion, I have borne in mind the low to medium level of inherent distinctiveness of the earlier marks but find that there is nothing of any greater distinctiveness in the applications which provides the average consumer with any additional information which would alter their perception away from the fact that these are essentially marks which are dominated by the concept of ‘Advantage’.

80. As concluded at paragraphs 71 and 72 of this decision, any claim to enhanced distinctiveness made by the opponent can only rest in its loyalty scheme. Given my findings based on the inherent distinctiveness of the earlier marks and taking account of the specifications of the applications, a finding of enhanced distinctive character for an airline loyalty scheme does not add anything to the outcome in this case.

81. In short, having made a careful global comparison required by the relevant authorities, there is a likelihood of indirect confusion. The additional elements in the applications would not lead the average consumer to the conclusion that the services were offered by a different originator.

Conclusion

82. The opposition succeeds under section 5(2)(b) of the Act save for the following:

Trade mark application 3167622

Class 43

Day care services for infants and/or children or rental of meeting rooms.

Trade mark application 3167625

Class 35

Business networking; negotiation of commercial transactions for third parties; negotiation of contracts relating to the purchase of goods and services; procurement services for others; organisation and administration of purchasing collectives or organisation, operation and supervision of discounts through bulk purchasing.

Costs

83. The oppositions having been largely successful, the opponent is entitled to a contribution towards its costs reduced to take account of the services for which it was unsuccessful. I make the award based on the scale provided in TPN 2/2016:

Official fees:	£200 ²²
Preparing statements and considering the other side's statements:	£400
Filing evidence:	£500
Preparing for and attending a hearing:	£800
Total:	£2100

84. I order Advantage Travel Centres Limited to pay American Airlines Inc. the sum of £2100. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 19th day of January 2018

Ms Al Skilton
For the Registrar,
the Comptroller General

²² Adjusted to take account of the fact that both oppositions were determined on the 5(2) ground.