

O/312/19

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3273439 BY
SC GOLF RETAIL LIMITED
TO REGISTER:**



AS A TRADE MARK IN CLASSES 9, 12, 24, 25, 28

AND

**IN THE MATTER OF THE OPPOSITION THERETO
UNDER NO. 411982 BY
DIRECT GOLF RETAIL LIMITED**

Background and pleadings

1. SC Golf Retail Limited (“the applicant”) applied to register the trade mark below in the United Kingdom on 27 November 2017:



It was accepted and published in the Trade Marks Journal on 15 December 2017 in respect of the following goods:

Class 9

Software.

Class 12

Golf trolleys, golf carts, golf cars; none of the aforementioned goods for use on the public highway.

Class 24

Golf towels.

Class 25

Clothing; footwear; headgear.

Class 28

Articles for playing golf.

2. The application was opposed by Direct Golf Retail Limited (“the opponent”). The opposition is based upon sections 5(2)(b) and 3(6) of the Trade Marks Act 1994 (“the Act”) and concerns all goods specified in the application.

3. With regards to its claim based upon section 5(2)(b) of the Act, the opponent is relying upon EU (formerly Community) Trade Mark 14691026:

DIRECT GOLF

The mark was applied for on 19 October 2015 and registered on 5 February 2017 in respect of goods and services in Classes 12, 16, 18, 25, 28 and 35. In this opposition the opponent is relying on goods and services in Classes 12, 25, 28 and 35, and which are listed in the Annex to this decision.

4. The opponent claims that the marks are identical or highly similar and that the goods covered by the applicant's specification are the same as, or highly similar to, goods and services covered by the earlier mark, leading to a likelihood of confusion on the part of the public. Therefore, registration of the contested mark should be refused under section 5(2)(b) of the Act.
5. Additionally, or alternatively, the opponent claims that the applicant's mark should not be registered as it was filed in bad faith, given a connection between the director of the applicant (Mr Simon Charles Corp) and the individual (Mr John Andrew) behind an application for an EUTM, which the opponent successfully opposed. It continues:

“Therefore, the filing of the subject mark in, what is submitted, must have been full knowledge of the Opponent's rights and interests in DIRECT GOLF and of the previous EU proceedings, falls below the standards of acceptable commercial behaviour, forcing the Opponent to take action against an additional UK mark containing DIRECT GOLF for golf related goods, thus amounting to an abuse of the trade mark system. In view of the above, the Applicant's mark should be refused pursuant to Section 3(6) of the Trade Marks Act 1994.”

6. The applicant filed a defence and counterstatement, denying all the grounds. In particular, it denied any knowledge of the opponent's trade mark at the time of making the application.

7. The opponent filed evidence in these proceedings. This will be summarised to the extent that is considered necessary.
8. The opponent also filed written submissions on 20 August 2018. These will not be summarised but will be referred to as and where appropriate during this decision.
9. No hearing was requested, so this decision has been taken following a careful perusal of the papers.
10. In these proceedings, the opponent is represented by Lane IP Limited and the applicant by McEntegart Legal Limited.

Relevant date

11. The relevant date for the purposes of these proceedings is the date the application was filed: 27 November 2017.

Evidence

12. The opponent's evidence comes from Mr Steven Lane, Director of Lane IP Limited, representative of the opponent. It is dated 20 August 2018.
13. Mr Lane states that on 16 February 2015 Mr Andrew filed an application for an EUTM for **GOLF DIRECT**. This application was opposed by Mr Lane's client, the opponent, under its previous name SDI Sports Limited. The decisions of the EUIPO Opposition Division and Second Board of Appeal are attached to the witness statement as Exhibit 1.
14. One of the marks upon which this previous opposition was based was EUTM 10379031 (**DIRECT GOLF**). The opponent acquired the mark from its

original proprietor, Direct Golf UK Limited, of which Mr Andrew was a director at the time the application was made.¹

15. Mr Lane states that Mr Andrew is affiliated with the applicant, SC Golf Retail Limited. According to Companies House records, Mr Corp, director of the applicant, is, together with Mr Andrew, also a director of The Chris Gill Junior Golf Foundation Limited. Mr Andrew was appointed on 14 October 2010, while Mr Corp was appointed on 31 January 2018.² Their connection appears to go back further. An article from the *Huddersfield Daily Examiner* dated 12 May 2017 describes them as business partners, and associates both with an undertaking called Major Golf Direct.³

Decision

Section 5(2)(b) ground

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

“A trade mark shall not be registered if because –

...

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

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

17. An “earlier trade mark” is defined in section 6(1) of the Act:

¹ The application was filed on 28 October 2011 and Mr Andrew was a director of the original proprietor between 30 December 1999 and 1 October 2015. See Exhibit 2, pages 49-52 and 58.

² Exhibit 3.

³ Exhibit 4. The reference to “business partners” is on page 74.

“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.”

18. The registration upon which the opponent relies qualifies as an earlier trade mark under the above provision. As the mark was registered within the five years before the date on which the applicant’s mark was published, it is not subject to any requirement to prove use and the opponent is therefore entitled to rely on all the goods and services on which it is seeking to rely.

19. In considering the opposition under this section, I am guided by the following principles, gleaned from the decisions of the courts of the European Union in *SABEL BV v Puma AG* (C-251/95), *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* (C-39/97), *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* (C-342/97), *Marca Mode CV v Adidas AG & Adidas Benelux BV* (C-425/98), *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-3/03), *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH* (C-120/04), *Shaker di L. Laudato & C. Sas v OHIM* (C-334/05 P) and *Bimbo SA v OHIM* (C-519/12 P):

(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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone 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 greater 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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

20. When comparing the goods, all relevant factors should be taken into account, per *Canon Kabushiki Kaisha*:

“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 complementary.”⁴

21. Guidance was also given by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] RPC 281. At [296], he identified the following relevant factors:

“(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) 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;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for

⁴ Paragraph 23

instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

22. I also bear in mind the comments of Floyd J (as he then was) in *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch):

“... 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.”

23. The table below shows the goods and services that the opponent submits are identical or similar:

Opponent’s goods and services	Applicant’s goods and services
	<u>Class 9</u> <i>Software</i>
<u>Class 12</u> <i>Buggies; golf trolleys; hand carts; hand propelled trolleys; human-powered trolleys and carts; motorised and computerised golf carts without road approval; motorised golf trolleys without road approval; motorised luggage carts; non-motorised collapsible luggage carts; non-motorised golf trolleys; trolleys</i>	<u>Class 12</u> <i>Golf trolleys, golf carts, golf cars; none of the aforementioned goods for use on the public highway.</i>

Opponent's goods and services	Applicant's goods and services
	<u>Class 24</u> Golf towels
<u>Class 25</u> Clothing; footwear; headgear	<u>Class 25</u> Clothing; footwear; headgear
<u>Class 28</u> Games and playthings (except scale model vehicles, scale model automobiles and toy automobiles); gymnastic and sporting articles not included in other classes; decorations for Christmas trees; apparatus for games; bag stands for golf bags; bags adapted for sporting articles; bags adapted to carry sports implements; bags specially adapted for sports equipment; ball holders; ball nets; balls being sporting articles; balls for playing games; balls for play; balls for playing sports; balls for sports; batting gloves; batting gloves [accessories for games]; caddie bags for golf clubs; cases adapted for sporting articles; club (Golf -) hoods; clubs (Golf -); coverings for golf clubs; covers (shaped -) for golf bags; covers (shaped -) for golf clubs; covers (shaped -) for golf club heads; gloves (Golf -); gloves made specifically for use in playing sports; golf bag carts; golf bag trolleys; golf bags; golf bags with or without wheels; golf bags, with or without wheels; golf ball markers; golf ball retrievers; golf balls; golf club bags; golf club covers; golf club grips; golf club head covers; golf club heads; golf club shafts; golf clubs; golf flags [sports articles]; golf gloves; golf irons; golf mats; golf practice apparatus; golf practice nets; golf practice nets; golf putters; golf swing alignment apparatus; golf tee bags; golf tees; golf training aids; golfing gloves; grip tapes for golf clubs; grips for golf clubs; head covers for golf clubs; headcovers for golf clubs; nets for practising golf; nets for sports; putters [sporting apparatus]; putting cups; putting discs for	<u>Class 28</u> Articles for playing golf.

Opponent's goods and services	Applicant's goods and services
<i>indoor putting practice; putting mats for indoor putting practice; putting practice mats [golf implement]; shafts for golf clubs; sporting articles and equipment; sporting articles not included in other classes; sports equipment; sports games; stands for golf balls; teeball sets; trolley bags for golf</i>	
<u>Class 35</u> <i>Retail and wholesale services connected to the sale of ... computer software</i>	

24. The opponent submits that the applicant's Class 12, 25 and 28 goods are identical to its own goods and services, while the Class 9 and 24 goods are complementary. In *Kurt Hesse v OHIM*, C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods or services. The General Court clarified the meaning of "complementary" goods or services in *Boston Scientific Ltd v OHIM*, T-325/06:

"...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking."⁵

Class 25 goods

25. The opponent's and applicant's Class 25 goods are self-evidently identical.

Class 12 goods

26. In my view, the applicant's Class 12 goods are also identical to some of the opponent's goods. The language may not be exactly the same but, per *YouView*, I must consider the ordinary and natural meaning of these terms. The applicant's goods are *Golf trolleys, golf carts, golf cars; none of the aforementioned goods for*

⁵ Paragraph 82.

use on the public highway. The applicant's goods also contain golf trolleys and golf carts that are not approved for use on the roads. I consider that the ordinary and natural meaning of "golf car" is a buggy or golf cart. Consequently, I find that the applicant's Class 12 goods are identical to some of the opponent's Class 12 goods.

Class 28 goods

27. The applicant's *Articles for playing golf* is a broad term that encompasses many of the opponent's Class 28 goods. I consider that it, in turn, is encompassed by the opponent's *Sporting articles and equipment*. The General Court held in *Gérard Meric v OHIM*, Case T-133/05 that:

"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 trade mark."⁶

Consequently, I find that the applicant's *Articles for playing golf* are identical to the opponent's *Sporting articles and equipment*.

Class 24 goods

28. The applicant's *golf towels* are, in my view, similar to a medium degree to the opponent's *Sporting articles and equipment*. The goods have the same users and distribution channels and could be expected to be produced by the same or connected undertakings. I agree with the opponent that they are complementary.

⁶ Paragraph 29.

Class 9 goods

29. The opponent submits that the applicant's *software* is complementary, and similar, to the opponent's *Retail and wholesale services connected to the sale of ... computer software*. In *Oakley Inc v OHIM*, Case T-116/06, the General Court held that although retail services are different in nature, purpose and method of use from goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.
30. In *Tony Van Gulck v Wasabi Frog Ltd*, BL O/391/14, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, reviewed the law concerning the comparison of retail services and goods. He said that:

“The position with regard to the question of conflict between use of **BOO!** for handbags in Class 18 and shoes for women in Class 25 and use of **MissBoo** for the Listed Services is considerably more complex. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is requested in general terms; (iii) for the purpose of determining whether such an application is objectionable under Section 5(2)(b) it is necessary to ascertain whether there is a likelihood of confusion with the opponent's earlier trade mark in all the circumstances in which the trade mark applied for might be used if it were to be registered; (iv) the criteria for determining whether, when and to what degree services are ‘*similar*’ to goods are not clear cut.”⁷

31. However, on the basis of the European courts' judgments in *Sanco SA v OHIM*, Case C-411/13 P, and *Assembled Investments (Proprietary) Ltd v OHIM*, Case

⁷ Paragraph 9.

T-105/05, upheld on appeal in *Waterford Wedgwood Plc v Assembled Investments (Proprietary) Ltd*, Case C-398/08 P, Mr Hobbs concluded that:

(i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer's point of view, they are unlikely to be offered by one and the same undertaking;

(ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services normally associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the applicant's trade mark;

(iii) It is not permissible to treat a mark registered for "retail services for goods X" as though the mark were registered for goods X; and

(iv) The General Court's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or proposed to be registered).

32. In my view, the opponent's retail services are those which would normally be associated with the applicant's goods. The channels of trade are likely to coincide. I consider the applicant's goods and the opponent's services are complementary, and have a medium degree of similarity.

Average consumer and the purchasing act

33. 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:

“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.”⁸

34. The goods and services at issue range from those that will be bought by members of the general public to more specialist purchases. I will therefore consider them individually.
35. The average consumer of *clothing, footwear and headgear* is a member of the general public. They will purchase these items from bricks-and-mortar shops (such as specialist clothing and shoe shops, department stores and supermarkets), websites and printed catalogues. They may also have seen adverts, either in print media or on the television. Specialist clothing is likely to be bought from specialist retailers, for instance sports shops. The price of these items varies greatly, from “fast fashion” costing a few pounds to expensive designer clothing. The purchasing process will predominantly be visual: see *New Look Limited v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03, paragraph 50. In my view, the average consumer will be paying an average degree of attention when choosing these goods.
36. The average consumer of the applicant’s *software* and the opponent’s *retail and wholesale services connected to the sale of ... computer software* may equally be a member of the general public or a business, except in the case of *wholesale services* which will be supplied to retail businesses. When deciding which retail services to use, the average consumer will be paying at least an average degree of attention, as they consider factors such as the range of products available and the competitiveness of the prices. They are likely to see adverts or signage in the streets, or search the internet for suppliers. Word-of-mouth recommendations may

⁸ Paragraph 60.

also be made, so the aural element cannot be ignored. Turning to the *software* itself, it is my view that the level of attention paid by the average consumer will depend on the type of software and its price. It may be costly, business-critical software, in which case the customer will undertake research, and possibly an organised procurement exercise, before making a purchase. At the other end of the spectrum, it may be a free app, downloaded on impulse. Consequently, I find that the average consumer will be paying an average degree of attention.

37. The golf-related goods will be purchased by members of the general public who play that sport or golf-related businesses. The carts and buggies in Class 12, in particular, are more likely to be bought by golf resorts and clubs, given their cost and size. The average consumer for these goods will be paying a higher than average degree of attention, albeit probably not the highest, as the quality of the goods will reflect on the business, and safety and reliability will be important considerations. They are likely to purchase these goods from a specialist supplier, either via the internet or in a bricks-and-mortar shop. The visual element will be most important, although word-of-mouth recommendation may also have a role to play.
38. The other goods are equally likely to be purchased by individuals or businesses. *Articles for playing golf*, and *sporting articles* in general, will vary in price. Golf balls and tees are relatively inexpensive, as are golf towels. A set of clubs, however, represents a greater outlay. These items will be purchased via the internet or in a general sports or specialist golf shop. Consequently, I find that the average consumer would be paying an average degree of attention for most of these goods. When buying golf clubs, I find that the average consumer's attention will be higher than average, although not at the very highest level. In the case of golf towels, I consider that, given the relatively low cost, the average consumer will be paying no more than an average level of attention. As with the Class 12 goods, the visual element will be most important, as the average consumer sees the goods on sale in a shop or advertised on the internet or printed media.

Comparison of marks

39. It is clear from *SABEL* (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 CJEU stated in *Bimbo*, C-591/12 P, that:

“... it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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.”⁹

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

41. The respective marks are shown below:

Earlier mark	Contested mark
DIRECT GOLF	

⁹ Paragraph 34.

42. The opponent's mark consists of two words: DIRECT and GOLF, presented in a standard font with no stylisation and in capital letters.¹⁰ The overall impression of the mark is of those two words together, with neither being dominant over the other.
43. The applicant's mark consists of the words MAJOR and GOLF joined together, presented in a lower case, standard sans serif font. MAJOR is in black, while GOLF is in orange. Above the J is an orange triangle which looks like a pennant. Underneath these letters, and flush to the right, is the word "DIRECT" in smaller grey, italicised lower-case letters. The opponent submits that the word MAJOR is merely descriptive, indicating quality or alluding to a golf tournament, and will hold no significance for the average consumer. It submits that "GOLF DIRECT" is the distinctive element of the mark and the use of orange and grey reinforces this distinctiveness.
44. In my view, the larger size of the letters makes the words "MAJOR" and "GOLF" more eye-catching than the word "DIRECT". This dominance is reinforced by the use of bold black and bright orange, against the paler grey of "DIRECT". To my mind, "MAJORGOLF" has the greatest relative weight in the overall impression, although "DIRECT" still makes a contribution to the overall impression of the mark.

Visual comparison

45. The opponent submits that the marks are visually highly similar. To me this seems to be predicated on a finding that the comparison is essentially between DIRECT GOLF and GOLF DIRECT. I have found that "MAJORGOLF" has the greatest relative weight. However, I must compare the marks as wholes, given that "DIRECT" is, in my view, not negligible.
46. All the words in the opponent's mark are present in the applicant's. In the latter, they are split over two lines, are different sizes, and "DIRECT" is essentially after

¹⁰ Registration of a trade mark in capital letters covers use in lower case, as stated by Professor Ruth Annand, sitting as the Appointed Person, in *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17.

the word “GOLF” in the contested mark (it being below and right-aligned), whereas it precedes it in the earlier mark. The first word of the applicant’s mark is also different. Given my earlier finding on the overall impression of the applied for mark, and the similarities and differences that exist between the marks as a whole, there is, to my mind, only a low level of visual similarity between these marks.

Aural comparison

47. The opponent’s mark has three syllables and will be articulated “DIE-REKT GOLF”. The applicant’s mark has three or five syllables, depending on whether the average consumer says the word “DIRECT”. It will be articulated “MAY-JUR GOLF” or “MAY-JUR GOLF DIE-REKT”. In the first instance, only one syllable is the same, although it has the same position in the phrase; in the second, the applicant’s mark is noticeably longer. Either way, I consider there to be only a low degree of aural similarity between the marks.

Conceptual comparison

48. The word “GOLF” is likely to be perceived as referring to the sport and “DIRECT” suggests that the consumer is getting the goods straight from the manufacturer and it may also bring to mind the idea of a quick and efficient service.

49. In the case of the opponent’s mark, I consider that the average consumer would interpret it as meaning that the goods come from an undertaking called “MAJORGOLF”. The opponent submits that “MAJOR” will “indicate quality or allude to a golf tournament which are often referred to as ‘majors’”. The latter meaning is, in the opponent’s view, reinforced by the pennant device over the J, as it sees this as “a representation of the flag on the greens”. I agree that the device is likely to be seen in this way, but am not persuaded that the word “MAJOR” will have no conceptual content in its own right. I am aware that it is only the most prestigious golf tournaments that are known as “majors”. The word itself may have several meanings. In addition to those suggested by the opponent, it could also be seen as referring to the size of the undertaking. I find the marks to be conceptually similar to a medium degree, on the basis that they both share the

concept of “golf”. The contested mark does also contain the element “direct”, but, as I have already found, this has a lesser weight in the overall impression of that mark.

Distinctiveness of the earlier mark

50. There is, as has already been noted, a greater likelihood of confusion if the earlier mark is highly distinctive. The CJEU provided guidance on assessing a mark’s distinctive character in *Lloyd Schuhfabrik Meyer*:

“22. 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).

23. 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).”

51. The opponent has provided no evidence of use of its mark, so I can only consider its inherent distinctiveness. The words that make up the mark are allusive of a quality of the service (“DIRECT”) and descriptive of the goods and services at issue (“GOLF”). There are no other elements to consider. All the goods and the

retail and wholesale services could relate to golf. Where this is the case, the distinctiveness of the mark is weak. However, where the goods are not related to golf, the mark has a medium level of distinctiveness.

Conclusions on likelihood of confusion

52. In assessing the likelihood of confusion, I must adopt the global approach set out in the case law to which I have already referred in paragraph 19. I must also have regard to the interdependency principle, that a lesser degree of similarity between the goods/services may be offset by a greater degree of similarity between the marks, and vice versa.¹¹ The distinctiveness of the earlier mark must also be taken into account.
53. Such a global assessment does not imply an arithmetical exercise, where the factors are given a score and the result of a calculation reveals whether or not there is a likelihood of confusion. I must keep in mind the average consumer of the goods/services and the nature of the purchasing process. I note that it is generally accepted that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture he has kept in his mind.¹²
54. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor QC, sitting as the Appointed Person, gave helpful guidance on making a global assessment:

“81.2 ... in my view it is important to keep in mind the purpose of the whole exercise of a global assessment of a likelihood of confusion, whether direct or indirect. The CJEU has provided a structured approach which can be applied by tribunals across the EU, in order to promote a consistent and uniform approach. Yet the reason why the CJEU has stressed the importance of the ultimate global assessment is, in my view, because it is supposed to emulate what happens in the mind of the

¹¹ *Canon Kabushiki Kaisa*, paragraph 17.

¹² *Lloyd Schuhfabrik Meyer*, paragraph 27.

average consumer on encountering, for example, the later mark applied for with an imperfect recollection of the earlier mark in mind. It is not a process of analysis or reasoning, but an impression or instinctive reaction.

81.3 Third, when a tribunal is considering whether a likelihood of confusion exists, it should recognise that there are four options:

81.3.1 The average consumer mistakes one mark for the other (direct confusion);

81.3.2 The average consumer makes a connection between the marks and assumes that the goods or services in question are from the same or economically linked undertakings (indirect confusion);

81.3.3 The various factors considered in the global assessment lead to the conclusion that, in the mind of the average consumer, the later mark merely calls to mind the earlier mark (mere association);

81.3.4 For completeness, the conclusion that the various factors result in the average consumer making no link at all between the marks, but this will only be the case where either there is no or very low similarity between the marks and/or significant distance between the respective goods or services;

81.3.5 Accordingly, in most cases, it is not necessary to explicitly set out this fourth option, but I would regard it as a good discipline to set out the first three options, particularly in a case where a likelihood of indirect confusion is under consideration.”

55. With regard to the contested mark, I found the element with the greater relative weight was “MAJORGOLF”. It follows that this is what the average consumer is

most likely to focus on and to recall. As far as the golf-related goods are concerned, it seems to me that direct confusion will not be likely. In the case of *software* and *clothing, footwear and headgear*, I do not consider the marks to be sufficiently similar, given the difference in the beginnings of the marks, for direct confusion to be likely, even taking imperfect recollection into account.

56. I will now consider whether there is a likelihood of indirect confusion. This depends on the average consumer noticing the marks are different, as explained by Mr Iain Purvis QC, sitting as the Appointed Person, in *LA Sugar Limited v By Back Beat Inc*, BL O/375/10.¹³ In *Duebros*, Mr Mellor stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. Given the weak level of distinctiveness of the earlier mark for golf-related goods, it appears to me unlikely that the average consumer will assume that the applicant's golf-related goods are connected with the opponent.

57. That leaves the applicant's more general goods: *software; clothing, footwear, headgear*. As I found that "MAJORGOLF" carried more weight than "DIRECT" in the overall impression of the contested mark, although the latter element was not negligible, it does not seem likely to me that the average consumer would assume that the applicant's mark is a sub-brand of the opponent, or vice versa, or that there is any other economic connection between them. At the most, it might call to mind the earlier mark, but this is not indirect confusion.

Outcome of Section 5(2)(b) ground

58. The section 5(2)(b) ground fails.

Section 3(6) ground

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

¹³ Paragraph 16.

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

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

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

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

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

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

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

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

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

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

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant

time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

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

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

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

60. The opponent submits that the applicant has failed to prove that the application was filed in good faith. However, as Arnold J noted, it is presumed that the applicant acted in good faith, and it is for the opponent to prove, on the balance of probabilities, the contrary.

61. The opponent's case is based on the relationship between the director of the applicant and the director of a firm whose application for an EUTM the opponent successfully opposed. The opponent submits that:

"Having previously been a Director at a company that contains the words DIRECT GOLF, and the failed attempt of John Andrew to register the GOLF DIRECT mark in the EU, who is known to the Applicant, the Applicant has sought to file a similar mark with the words DIRECT GOLF contained in the inverse to circumvent the previous decision."

62. There is no evidence of the intention of the applicant. I recall the judgment of Arnold J in *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others* [2009] RPC 9, and approved by the Court of Appeal.¹⁴ He said:

“In my judgment it follows from the foregoing considerations that it does not constitute bad faith for a party to apply to register a Community trade mark merely because he knows that third parties are using the same mark in relation to identical goods or services, let alone where the third parties are using similar marks and/or are using them in relation to similar goods or services. The applicant may believe that he has a superior right to registration and use of the mark. For example, it is not uncommon for prospective claimants who intend to sue a prospective defendant for passing off first to file an application for registration to strengthen their position. Even if the applicant does not believe that he has a superior right to registration and use of the mark, he may still believe that he is entitled to registration.”¹⁵

63. I can see no reason to find that the applicant acted in bad faith. Even in the scenario described by the opponent, it would not, in my view and in itself, be an act of bad faith to make changes to a mark and file a new application, which would then of course be subject to the examination process and open to opposition. I recall that I found no confusion under section 5(2)(b) of the Act. In such circumstances, filing an application for such a mark is not an act of bad faith, unless there had been some ulterior motive, which has not been shown by the opponent.

64. The section 3(6) ground fails.

¹⁴ [2010] RPC 16

¹⁵ Paragraph 189.

Conclusion

65. The opposition has failed. The application by SC Golf Retail Limited may, subject to any successful appeal, proceed to registration.

Costs

66. The applicant has been successful and is entitled to a contribution towards the cost of the proceedings. In making an award, I have borne in mind the fact that the applicant filed no evidence and made no written submissions. I award the applicant the sum of £200 as a contribution to the costs of preparing a statement and considering the opponent's statement.

67. I therefore order Direct Golf Retail Limited to pay SC Golf Retail Limited £200. The above sum should be paid within 14 days of the expiry of the appeal period or within 14 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated 3 June 2019

Clare Boucher
For the Registrar,
Comptroller-General

Annex: Goods upon which the opponent is relying

Class 12

Buggies; golf trolleys; hand carts; hand propelled trolleys; human-powered trolleys and carts; motorised and computerised golf carts without road approval; motorised golf trolleys without road approval; motorised luggage carts; non-motorised collapsible luggage carts; non-motorised golf trolleys; trolleys.

Class 25

Clothing, footwear, headgear.

Class 28

Games and playthings (except scale model vehicles, scale model automobiles and toy automobiles); gymnastic and sporting articles not included in other classes; decorations for Christmas trees; apparatus for games; bag stands for golf bags; bags adapted for sporting articles; bags adapted to carry sports implements; bags specially adapted for sports equipment; ball holders; ball nets; balls being sporting articles; balls for playing games; balls for play; balls for playing sports; balls for sports; batting gloves; batting gloves [accessories for games]; caddie bags for golf clubs; cases adapted for sporting articles; club (Golf -) hoods; clubs (Golf -); coverings for golf clubs; covers (shaped -) for golf bags; covers (shaped -) for golf clubs; covers (shaped -) for golf club heads; gloves (Golf -); gloves made specifically for use in playing sports; golf bag carts; golf bag trolleys; golf bags; golf bags with or without wheels; golf bags, with or without wheels; golf ball markers; golf ball retrievers; golf balls; golf club bags; golf club covers; golf club grips; golf club head covers; golf club heads; golf club shafts; golf clubs; golf flags [sports articles]; golf gloves; golf irons; golf mats; golf practice apparatus; golf practice nets; golf practice nets; golf putters; golf swing alignment apparatus; golf tee bags; golf tees; golf training aids; golfing gloves; grip tapes for golf clubs; grips for golf clubs; head covers for golf clubs; headcovers for golf clubs; nets for practising golf; nets for sports; putters [sporting apparatus]; putting cups; putting discs for indoor putting practice; putting mats for indoor putting practice; putting practice mats [golf implement]; shafts for golf clubs; sporting articles and equipment; sporting articles not included in other classes; sports equipment; sports games; stands for golf balls; teeball sets; trolley bags for golf equipment.

Class 35

Advertising; business management; business administration; office functions; compilation and provision of trade, business, price and statistical information and databases; provision of space on websites for advertising goods and services; business advisory services and promotional services; services relating to stock control; setting up, organisation, administration, operation and supervision of customer loyalty, sales, incentives and promotional activity schemes and advice, consultancy and information services relating to such services; business management, including assistance and advising for the establishment and management of retail stores; direct mail advertising; distribution of samples and promotional items; marketing services; business advisory and information services provided online from

a computer database or the internet; retail and wholesale services connected to the sale of chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry, unprocessed artificial resins, unprocessed plastics, manures, fire extinguishing compositions; retail and wholesale services connected to the sale of tempering and soldering preparations, chemical substances for preserving foodstuffs, tanning substances, adhesives used in industry, unprocessed plastics in the form of liquids, chips or granules, paints, varnishes, lacquers, preservatives against rust and against deterioration of wood; retail and wholesale services connected to the sale of colorants, mordants, raw natural resins, metals in foil and powder form for painters, decorators, printers and artists, bleaching preparations and other substances for laundry use, cleaning, polishing, scouring and abrasive preparations; retail and wholesale services connected to the sale of soaps, perfumery, essential oils, cosmetics, hair lotions, dentifrices, industrial oils and greases, lubricants, dust absorbing, wetting and binding compositions, fuel and illuminants, candles and wicks for lighting, combustible fuels and scented candles; retail and wholesale services connected to the sale of pharmaceutical and veterinary preparations, sanitary preparations for medical purposes, dietetic food and substances adapted for medical or veterinary use, food for babies, dietary supplements for humans and animals, plasters, materials for dressings, material for stopping teeth, dental wax, disinfectants, preparations for destroying vermin, fungicides, herbicides; retail and wholesale services connected to the sale of common metals and their alloys, metal building materials, transportable buildings of metal, materials of metal for railway tracks, non-electric cables and wires of common metal, ironmongery, small items of metal hardware, pipes and tubes of metal, safes, ores, unwrought and partly wrought common metals, metallic windows and doors, metallic framed conservatories; retail and wholesale services connected to the sale of machines and machine tools, motors and engines (except for land vehicles), machine coupling and transmission components (except for land vehicles), agricultural implements other than hand-operated, incubators for eggs; retail and wholesale services connected to the sale of automatic vending machines, hand tools and hand operated implements, cutlery, side arms, razors, electric razors and hair cutters; retail and wholesale services connected to the sale of 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 or images; retail and wholesale services connected to the sale of magnetic data carriers, recording discs, compact discs, DVDs and other digital recording media, mechanisms for coin-operated apparatus; retail and wholesale services connected to the sale of cash registers, calculating machines, data processing equipment, computers, computer software, fire-extinguishing apparatus, surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth, orthopaedic articles, suture materials, massage apparatus, supportive bandages, furniture adapted for medical use; retail and wholesale services connected to the sale of apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes, air conditioning apparatus, electric kettles, gas and electric cookers; retail and wholesale services connected to the sale of buggies, golf trolleys, hand carts, hand propelled trolleys, human-powered trolleys and carts, motorised and computerised golf carts without road approval, motorised

golf trolleys without road approval, motorised luggage carts, non-motorised collapsible luggage carts, non-motorised golf trolleys, trolleys, firearms, ammunition and projectiles; retail and wholesale services connected to the sale of explosives, fireworks, precious metals and their alloys, jewellery, costume jewellery, precious stones, horological and chronometric instruments, clocks and watches, musical instruments, stands and cases adapted for musical instruments; retail and wholesale services connected to the sale of paper, cardboard, printed matter, bookbinding material, photographs, stationery, adhesives for stationery or household purposes, artists' materials, paint brushes, typewriters and office requisites (except furniture), instructional and teaching material (except apparatus), plastic materials for packaging, printers' type, printing blocks; retail and wholesale services connected to the sale of rubber, gutta-percha, gum, asbestos, mica, plastics in extruded form for use in manufacture, semi-finished plastics materials for use in further manufacture, stopping and insulating materials, flexible non-metallic pipes; retail and wholesale services connected to the sale of leather and imitations of leather, animal skins, hides, trunks and travelling bags, handbags, rucksacks, purses, umbrellas, parasols and walking sticks, whips, harness and saddlery, clothing for animals, umbrellas, golf umbrellas, golf bags, golf cases, non-metallic building materials, non-metallic rigid pipes for building, asphalt, pitch and bitumen, non-metallic transportable buildings; retail and wholesale services connected to the sale of non-metallic monuments, non-metallic framed conservatories, doors and windows, furniture, mirrors, picture frames, garden furniture, pillows and cushions, household or kitchen utensils and containers, combs and sponges; retail and wholesale services connected to the sale of brushes, brush-making materials, articles for cleaning purposes, steel wool, electric and non-electric toothbrushes, ropes, string, nets, tents, awnings, tarpaulins, sails, sacks for transporting bulk materials, padding and stuffing materials which are not made of rubber or plastics, raw fibrous textile materials, yarns and threads for textile use, textiles and textile goods; retail and wholesale services connected to the sale of bed and table covers, travellers' rugs, textiles for making articles of clothing, duvets, covers for pillows, cushions or duvets, clothing, footwear, headgear, lace and embroidery, ribbons and braid, buttons, hooks and eyes, pins and needles, artificial flowers; retail and wholesale services connected to the sale of carpets, rugs, mats and matting, linoleum and other materials for covering existing floors, wall hangings (non-textile), wallpaper, games and playthings (except scale model vehicles, scale model automobiles and toy automobiles), playing cards, gymnastic and sporting articles, caddies for golf clubs, clubs (Golf -), coverings for clubs (Golf -), golf bag carts, golf bag trolleys, golf club covers, golf irons, golf mats, golf practice apparatus, golf putters decorations for Christmas trees, children's toy bicycles; retail and wholesale services connected to the sale of meat, fish, poultry and game, meat extracts, preserved, dried and cooked fruits and vegetables, jellies, jams, compotes, eggs, milk and milk products, edible oils and fats, prepared meals, soups and potato crisps, coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; retail and wholesale services connected to the sale of flour and preparations made from cereals, bread, pastry and confectionery, ices, honey, treacle, yeast, baking-powder, salt, mustard, vinegar, sauces (condiments), spices, ice, sandwiches, prepared meals, pizzas, pies and pasta dishes; retail and wholesale services connected to the sale of agricultural, horticultural and forestry products, live animals, fresh fruits and vegetables, seeds, natural plants and flowers, foodstuffs for animals, malt, food and beverages for animals, beers, mineral and aerated waters; retail

and wholesale services connected to the sale of non-alcoholic drinks, fruit drinks and fruit juices, syrups for making beverages, shandy, de-alcoholised drinks, non-alcoholic beers and wines, alcoholic beverages (except beers), alcoholic wines, spirits and liqueurs, alcopops, alcoholic cocktails, tobacco, smokers' articles, matches, lighters for smokers.