O-374-19

TRADE MARKS ACT 1994

IN THE MATTER OF UK REGISTRATION NO. 3266860 BY NETLAB INTERNATIONAL S.C. LTD IN RESPECT OF THE TRADE MARK:

EZY.COM

IN CLASS 41

AND

AN APPLICATION FOR A DECLARATION OF INVALIDITY

THEREOF UNDER NO. 502054 BY

EASYGROUP LIMITED

Background and pleadings

- The trade mark EZY.COM was applied for on 30 October 2017 and entered onto the register on 2 February 2018. It stands in the name of Netlab International S.C. Ltd (the registered proprietor). The mark was registered in respect of a large number of services in Class 41. I shall not list them all here, for reasons that will become apparent.
- 2. On 27 April 2018, easyGroup Ltd (the applicant) applied under section 47 of the Trade Marks Act 1994 (the Act) for the trade mark registration to be declared invalid. The application is based on sections 5(2)(b), 5(3) and 5(4)(a) of the Act.
- 3. Under section 5(2) of the Act, the applicant is relying upon the following European Union Trade Marks (EUTM):

Mark Services relied upon EUTM No: 014920383 ("the easy.com Class 41"

mark")



Colours claimed: orange; white Filing date: 17 December 2015

Date of entry in register: 1 July 2016

Education; providing of training; sporting and cultural activities; fitness instruction and tuition; group fitness and exercise classes; personal training services: provision of gymnasium facilities: gymnasium services relating to body building; gymnasium services relating to weight training; life coaching services; education relating to nutrition; provision of educational information relating to fitness; exercise, diet, health and nutrition; entertainment services: entertainment information services; health club services; gymnasium services; gymnasium club services; nutrition coaching; weight management coaching; organisation of sports competitions; physical education

providing

facilities:

sports

services:

Mark	Services relied upon
	provision of recreation facilities; rental of
	sports equipment; rental of tennis courts;
	arranging and conducting workshops;
	advisory, consultancy and information
	services relating to all of the aforesaid
	services.
	<u>Class 44</u>
	Medical services; hygienic and beauty
	care for human beings or animals;
	aromatherapy services; health care;
	health spa services; physical therapy;
	physiotherapy; sauna services; solarium
	services; health assessment and health
	risk assessment services; provision of
	medical referral services; fitness testing
	services; counselling services relating to
	health, fitness, diet and nutrition; provision
	of weight control and weight reduction
	programmes.
EUTM No. 010584001 ("the EasyJet	<u>Class 41</u>
mark"):	Education; providing of training;
	entertainment; sporting and cultural
EASYJET	activities; information relating to
Filing date: 24 January 2012	entertainment and education, provided
Date of entry in register: 9 January 2015	on-line from a computer database or the
	Internet; entertainment services provided
	on-line from a computer database or the
	Internet; educational information provided
	on-line from a computer database or the
	Internet; organising games and
	competitions; rental of games and
	playthings.

Mark

EUTM No. 015950868 ("the Ezeegym mark"):

EZEEGYM

Filing date: 20 October 2016

Date of entry in register: 21 February 2017

Services relied upon

Class 41

Education; providing of training; sporting and cultural activities: fitness instruction and tuition; group fitness and exercise classes; personal training services; provision of gymnasium facilities: gymnasium services relating to body building; gymnasium services relating to weight training; life coaching services; education relating to nutrition; provision of educational information relating to fitness, exercise, diet, health and nutrition; entertainment services: entertainment information services; health club services; gymnasium services; gymnasium club services; nutrition coaching; weight management coaching; organisation of sports competitions; physical education services; providing sports facilities: provision of recreation facilities; rental of sports equipment; rental of tennis courts; arranging and conducting workshops; advisory, consultancy and information services relating to all the aforesaid services.

Class 44

Medical services; hygienic and beauty care for human beings or animals; hairdressing salons; aromatherapy services; health care; health spa services; physical therapy; physiotherapy; sauna services; solarium services; health assessment and health risk assessment services; provision of medical referral

Mark	Services relied upon
	services; fitness testing services;
	counselling services relating to health,
	fitness, diet and nutrition; provision of
	weight control and weight reduction
	programmes.

- 4. The applicant claims that the easy.com mark is phonetically identical, visually highly similar and conceptually neutral, or highly similar, to the contested mark, and that the Ezeegym mark is visually very similar and that the first part of the mark is phonetically identical to the contested mark. It also claims that the registered proprietor's services are highly similar to the applicant's services. It submits that there is a likelihood of confusion, which includes the likelihood of association. Additionally, the applicant submits that the EasyJet mark enjoys an elevated distinctive character through the use made of it, and that the interdependency principle described in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, serves to increase the likelihood of confusion.
- 5. Under section 5(3), the applicant is relying upon the EasyJet mark. It claims that the mark has a reputation for the following services:

Class 39

Transport; packaging and storage of goods; travel arrangement; travel information; provision of car parking facilities; transportation of goods, passengers and travellers by air, land, sea and rail; airline and shipping services; airport check-in services; arranging of transportation of goods, passengers and travellers by land and sea; airline services; baggage handling services; cargo handling and freight services; arranging, operating and providing facilities for cruises, tours, excursions and vacations; chartering of aircraft; rental and hire of aircraft, vehicles and boats; chauffeur services; taxi services; bus services; coach services; rail services; airport transfer services; airport parking services; aircraft parking services; escorting of travellers; travel agency services; tourist office services; advisory and information services relating to the aforesaid services; information services relating to

transportation services, travel information and travel booking services provided on-line from a computer database or the Internet.

6. The applicant claims that:

"The opposed [sic] mark EZY.COM looks as though it is part of the Opponent's offering. In fact, it looks like a natural extension of the Opponent's business, particularly when it is considered that the three-letter name by which the Opponent is known in airline circles (as all airlines are required to do) is EZY."

The applicant also claims that the contested mark takes unfair advantage of its mark's reputation by free-riding on it to achieve greater sales, without the time and cost incurred, and that the ability of the letters EZY to denote the applicant's mark would be diminished by use without due course.

7. The applicant claims under section 5(4)(a) of the Act that the sign **EZY** has been used throughout the UK since October 1995 for the following services:

Airline services; transport, travel arrangement, travel information; transportation of goods, passengers and travellers by air; airport check-in services; travel agency services; advisory information services relating to the aforesaid services; information services relating to transportation services; travel information and travel booking services provided on-line from a computer database or the Internet.

- 8. It claims that use of the registered proprietor's trade mark would be contrary to the law, particularly the law of passing off, on the basis of the use of EZY as the flight code for the EasyJet airline.
- 9. The registered proprietor filed a counterstatement denying the claims made. In particular, it denies that the respective services are identical, as its main activity is the provision of gambling services while, it submits, the applicant does not provide such services, and also denies that the marks are sufficiently similar for there to

be a likelihood of confusion. The registered proprietor also denies the claims made by the applicant under sections 5(3) and 5(4)(a) of the Act.

- 10. The applicant filed evidence in these proceedings. This will be summarised to the extent that is considered necessary.
- 11. The applicant and registered proprietor also filed written submissions on 6 September 2018 and 6 November 2018 respectively. These will not be summarised but will be referred to as and where appropriate during this decision, which is taken following a careful perusal of the papers.
- 12. In these proceedings, the applicant is represented by Kilburn & Strode LLP and the registered proprietor by Andrius Gabnys.

Amendments to the Specification of the Contested Mark

13. On 3 December 2018 the registered proprietor surrendered some of the services of the registration. The specification now stands as follows:

Class 41

Gambling services; Online gambling services; Providing casino facilities [gambling]; Casino, gaming and gambling services; Game services; Organisation of games; Providing online games; Electronic games services; Online computer games services; Online game services; Video game entertainment services

14. The applicant was informed that the proceedings would continue, unless it notified the Registry that it wished to withdraw its application. No such notification was received.

Evidence

- 15. The applicant's evidence comes from Mr Ryan Edward Pixton, a trade mark attorney at Kilburn & Strode LLP. His witness statement, dated 6 September 2018, simply lists the exhibits that are attached to it.
- 16. The first exhibit is a general witness statement made by Sir Stelios Haji-Ioannou, the founder and director of EasyGroup. This statement is dated 4 August 2017 and in it Sir Stelios describes the history of the company from its beginnings with the EasyJet airline, its structure and its brand values.¹ This statement is accompanied by a set of press articles and company financial information,² a witness statement from Mr Christopher Griffin, the Chief Executive of the Museum of Brands,³ a printout from www.adforum.com in which EasyJet is described as "the web's favourite airline" and a Wikipedia entry for EasyJet, both of which were printed in 2018, after the relevant date.⁴
- 17. The first three exhibits, which constitute the bulk of the evidence, have been submitted in numerous previous proceedings and are not specifically directed towards the issues raised here. I shall not, therefore, summarise them but will refer to relevant facts where appropriate in my decision. I have read all the evidence submitted.

Legislation

- 18. Section 47 of the Act states that:
 - "(2) The registration of a trade mark may be declared invalid on the ground
 - (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

¹ Exhibit REP1.

² Exhibit REP2.

³ Exhibit REP3.

⁴ Exhibit REP4.

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

- (2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless
 - (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,
 - (b) the registration procedure for the earlier trade mark was not completed before that date, or
 - (c) the use conditions are met.

. . .

- (5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.
- (6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed."

Decision

Section 5(2)(b) ground

19. 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."

- 20. The marks upon which the applicant relies were all registered less than five years before the date of the application for the declaration. The applicant is therefore entitled to rely on all the services listed in the table in paragraph 3.
- 21. In considering the application for invalidity 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 (Case C-251/95), Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc (Case C-39/97), Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV (Case C-342/97), Marca Mode CV v Adidas AG & Adidas Benelux BV (Case C-425/98), Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (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-334/05 P) and Bimbo SA v OHIM (Case 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 services

22. When comparing the services, 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." 5

- 23. 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

⁵ Paragraph 23

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

24. The services to be compared are shown in the table below:

Earlier Specification	Contested Specification
Class 41	<u>Class 41</u>
The easy.com and the Ezeegym marks	
Education; providing of training; sporting	Gambling services; Online gambling
and cultural activities; fitness instruction	services; Providing casino facilities
and tuition; group fitness and exercise	[gambling]; Casino, gaming and gambling
classes; personal training services;	services; Game services; Organisation of
provision of gymnasium facilities;	games; Providing online games;
gymnasium service relating to body	Electronic games services; Online
building; gymnasium services relating to	computer game services; Online game
weight training; life coaching services;	services; Video game entertainment
education relating to nutrition; provision of	services.
educational information relating to fitness,	
exercise, diet, health and nutrition;	
entertainment services; entertainment	
information services; health club services;	
gymnasium services; gymnasium club	
services; nutrition coaching; weight	
management coaching; organisation of	
sports competitions; physical education	
services; providing sports facilities;	
provision of recreation facilities; rental of	
sports equipment; rental of tennis courts;	
arranging and conducting workshops;	
advisory, consultancy and information	
services relating to all the aforesaid	
services.	
The EasyJet mark	
Education; providing of training;	
entertainment; sporting and cultural	

Earlier Specification	Contested Specification
activities; information relating to	
entertainment and education, provided on-	
line from a computer database or the	
Internet; entertainment services provided	
on-line from a computer database or the	
Internet; educational information provided	
on-line from a computer database or the	
Internet; organising games and	
competitions, rental of games and	
playthings.	
<u>Class 44</u>	
The easy.com mark	
Medical services; hygienic and beauty	
care for human beings or animals;	
aromatherapy services; health care;	
health spa services; physical therapy;	
physiotherapy; sauna services; solarium	
services; health assessment and health	
risk assessment services; provision of	
medical referral services; fitness testing	
services; counselling services relating to	
health, fitness, diet and nutrition; provision	
of weight control and weight reduction	
programmes.	
The Ezeegym mark	

Medical services; hygienic and beauty care for human beings or animals; hairdressing salons; aromatherapy services; health care; health spa services; physical therapy; physiotherapy; sauna services; solarium services; health assessment and health risk assessment services; provision of medical referral services; fitness testing services;

Earlier Specification	Contested Specification
counselling services relating to health,	
fitness, diet and nutrition; provision of	
weight control and weight reduction	
programmes.	

- 25. When construing the words used in trade mark specifications, I take account of the comments of Floyd J (as he then was) in *YouView TV Ltd v Total Ltd* [2012] EWHC 3158:
 - "... 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 phrase 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."
- 26. In *Gérard Meric v OHIM*, Case T-133/05, the General Court stated 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 mark."6

27. The registered proprietor's services are all, in my view, encompassed by the general category *Entertainment* or *entertainment services*. "Entertainment" is defined by the *Oxford Dictionary of English* as "the act of providing or being provided with amusement or enjoyment". It would to my mind be straining the language to deny that the gambling and gaming services fall within this description. Consequently, I find that, per *Meric*, the registered proprietor's services are identical to the applicant's *entertainment* (*services*).

Average consumer and the purchasing act

28. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, I must bear in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: see Lloyd Schuhfabrik Meyer.

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

"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."

⁶ Paragraph 29.

⁷ Paragraph 60.

30. The average consumer of the services at issue will also be a member of the public, although casino and gambling services will be restricted to adults. To my mind, the visual element would carry slightly more weight than the aural. When making a selection, the consumer is likely to see posters in the street or other advertising material, either in print form, on television or online. They may also hear the marks spoken, for instance by word-of-mouth recommendations, so I cannot discount the aural element. The prices will vary: a night at a smart casino will cost more than a bet on the result of a sports match or horse race. The latter are, however, likely to be more regular purchases. It seems to me that the average consumer of these services would be paying an average level of attention.

Comparison of marks

31. It is clear from *SABEL BV v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo SA v OHIM*, 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."

32. 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.

⁸ Paragraph 34.

33. The respective marks are shown below:

Earlier marks	Contested mark
easy	EZY.COM
EASYJET	
EZEEGYM	

- 34. The contested mark comprises the letters "EZY" followed by the generic top-level domain (gTLD) ".COM" presented in capital letters. As ".COM" is often used to indicate a website, it will be seen as a less distinctive element within the mark. It does, however, make a contribution to the overall impression of the mark as a web address.
- 35. The closest of the applicant's marks to the contested mark is the easy.com mark, as, in my view, "EZY" will be interpreted as a mis-spelling of "EASY". The easy.com mark consists of the word "easy" presented in white lower-case letters on an orange background. The letters are surrounded by a white oval border and the font used is Cooper Black. The word "EASY" is dominant over the gTLD on account of its position in the mark, its larger size and the more unusual font. The oval border and the orange background are not negligible elements of the mark, as they will affect the average consumer's perception of the distinctiveness of the mark.
- 36. Visually, both marks contain a gTLD and their first elements share a beginning and final letter. The stylisation and use of colour in the applicant's mark are clear differences. Overall, I find the marks to have a medium degree of visual similarity.

⁹ See Exhibit REP1.

However, they are aurally identical, both being articulated "EE-ZEE-DOT-COM". I also find them to be conceptually identical, as the stylisation and colour of the applicant's mark have no particular meaning and, as I have already noted, it is my view that the registered proprietor's mark will be interpreted as a misspelling of "EASY". The average consumer will perceive the mark as alluding to an easy-to-use website.

- 37. The next closest is the Ezeegym mark. The overall impression of the mark lies in the juxtaposition of two words: EZEE (which will be seen as a mis-selling of EASY) and GYM. Visually, both have the same number of characters and share the first, second and final letters. The full stop in the contested mark creates a separation between the two elements of that mark, so the visual similarity is still fairly low. Aurally, both marks share the same first two syllables, but the contested mark is longer. I find them to be aurally similar to a medium degree. On a conceptual level, as I have already noted, the beginnings of both marks will be seen as misspellings of "EASY", albeit different ones. The applicant's mark brings to mind a gym that is easy or straightforward to use, while the registered proprietor's mark will be seen as a user-friendly website. I find the marks to be conceptually similar to a low degree.
- 38. The applicant's EasyJet mark consists of the words "EASY" and "JET" joined together and the overall impression of the mark lies in this juxtaposition. Visually, it shares an initial letter with the contested mark; both also contain a Y and seven characters. However, the similarities go no further than this and I find that the visual similarity is low. Aurally, they share the first two syllables, but the remainder of the marks are different. Again, I find that a low degree of similarity. I also find a low degree of conceptual similarity for the same reasons as those outlined in the previous paragraph.

Distinctiveness of the earlier mark

- 39. 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)."
- 40. The word "EASY", the common element of two of the applicant's marks, is a basic English word that alludes to a quality to be found in the services. The word is inherently low in distinctive character. The second elements of these marks are descriptive: an airline ("JET") or a website (".COM"). For these particular services, the inherent distinctiveness derives from the composite nature of the word, with a greater weight towards "EASY".

- 41. I must, however, consider the distinctiveness of the marks in the context of entertainment and entertainment services. In the case of the EasyJet mark, I find that it has a medium level of inherent distinctiveness, as the dictionary word "jet" does not describe those particular services. The opponent has submitted evidence that supports an assessment that "EasyJet" has acquired a high level of distinctiveness for airline services. There is no evidence that it has acquired a high level of distinctiveness for entertainment services.
- 42. In the case of the easy.com mark, the inherent distinctiveness of the mark also comes from the presentation of the word "EASY" in a non-standard font, in white letters and surrounded by a white oval, all on an orange background. Again, I see no evidence of its use in connection with the services upon which the opponent is relying. I consider that it has a medium level of inherent distinctive character.
- 43. I turn now to the Ezeegym mark. The misspelling of the first word, in my view, gives this mark a slightly higher level of inherent distinctiveness, but I see no evidence to persuade me that this mark has been enhanced through use.

Conclusions on likelihood of confusion

- 44. 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 21. I must also have regard to the interdependency principle, that a lesser degree of similarity between the services may be offset by a greater degree of similarity between the marks, and vice versa. ¹⁰ The distinctiveness of the earlier mark must also be taken into account.
- 45. 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 services and the nature of the purchasing process. I note that it is generally

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¹⁰ Canon Kabushiki Kaisa, paragraph 17.

accepted that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture he has kept in his mind.¹¹

46. 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 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,

¹¹ Lloyd Schuhfabrik Meyer, paragraph 27.

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."

47. I found that the easy.com mark was the most similar to the registered proprietor's mark, being aurally and conceptually identical and visually similar to a medium degree. I recall that I found that the visual element would be the most significant during the purchasing process as the average consumer would be likely to see the marks in promotional material, websites or in the street. While the figurative aspects of this earlier mark make a contribution to its overall impression, they are not, in my view, sufficiently memorable that the two marks would not be confused, given the average consumer's imperfect recollection of them. The applicant adduced no evidence to suggest that the easy.com mark has enhanced its distinctiveness through use. Furthermore, the contested mark, presented as it is in a black font, should be considered on the basis that it could be used in any colour: see J W Spear & Sons Ltd v Zynga, Inc. [2015] EWCA Civ 290, at paragraph 47. The same combination of the "EASY/EZY" element and ".COM" lead me to find that there is likely to be direct confusion, given imperfect recollection, the identity of the services and the average level of distinctiveness of the earlier mark for these services. Even if the stylistic differences were noticed, the consumer could still imperfectly recall the words and perceive the mark as denoting the same, or a related, undertaking. It would not be uncommon for a business to change stylistic aspects of its mark in a rebranding exercise.

48. I found the EasyJet and Ezeegym marks to be less similar to the contested mark than the easy.com mark. Given the differences that I have already noted and the inherently low distinctiveness of the word "EASY" or its misspellings, I consider that there is no likelihood of confusion. However, the application has succeeded fully on the basis of the easy.com mark.

Outcome of section 5(2)(b) ground

49. The application for cancellation has been successful under section 5(2)(b) based on the easy.com mark. For the sake of completeness, I shall now proceed to consider the remaining grounds.

Section 5(3) ground

50. Section 5(3) of the Act states that a trade mark which is identical with or similar to an earlier trade mark

"shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community/European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark".

- 51. The relevant case law can be found in the following judgments of the CJEU: General Motors Corp v Yplon SA (Case C-375/97), Intel Corporation Inc v CPM United Kingdom Ltd (Case C-252/07), Adidas Salomon AG v Fitnessworld Trading Ltd (Case C-487/07), L'Oréal SA and others v Bellure NV and others (Case C-487/07) and Marks and Spencer v Interflora (Case C-323/09). The law appears to be as follows:
 - a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered: *General Motors*, paragraph 24.

- b) The trade mark for which protection is sought must be known by a significant part of that relevant public: *General Motors*, paragraph 26.
- c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind: *Adidas Salomon*, paragraph 29, and *Intel*, paragraph 63.
- d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods or services, the extent of the overlap between the relevant consumers for those goods or services, and the strength of the earlier mark's reputation and distinctiveness: *Intel*, paragraph 42.
- e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future: *Intel*, paragraph 68. Whether this is the case must also be assessed globally, taking account of all relevant factors: *Intel*, paragraph 79.
- f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods or services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark is registered, or a serious risk that this will happen in the future: *Intel*, paragraphs 76 and 77.
- g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character: *Intel*, paragraph 74.
- h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark

have a characteristic or quality which is liable to have a negative impact on the earlier mark: *L'Oréal*, paragraph 40.

i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation: *Marks and Spencer*, paragraph 74, and the court's answer to question 1 in *L'Oréal*.

Reputation

- 52. The CJEU considered the threshold for showing reputation in *General Motors:*
 - "23. Such a requirement is also indicated by the general scheme and purpose of the Directive. In so far as Article 5(2) of the Directive, unlike Article 5(1), protects trade marks registered for non-similar products or services, its first condition implies a certain degree of knowledge of the earlier trade mark among the public. It is only where there is a sufficient degree of knowledge of that mark that the public, when confronted by the later trade mark, may possibly make an association between the two trade marks, even when used for non-similar products or services, and that the earlier trade mark may consequently be damaged.
 - 24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

- 25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.
- 26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that mark.
- 27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.
- 28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."
- 53. The applicant claims that the EasyJet mark has a reputation in the EU for the travel-related services listed in paragraph 5 above. In its counterstatement, the registered proprietor accepts that "The trademark EASYJET is well known in aviation and/or similar activities/services."
- 54. According to Sir Stelios Haji-Ioannou's witness statement, EasyJet flew almost 75m passengers in the year to 31 January 2017. Most of these appear to have used flights within the EU, including the UK. Exhibit REP2 contains numerous examples of media coverage of EasyJet's airline services. These include details of awards won, sponsorship of Manchester Pride, and a relationship with UNICEF. I accept that EASYJET had a strong reputation in the EU at the relevant date in relation to airline services. I consider that there is not sufficient evidence for me to

find that the applicant had a reputation for any of the remaining Class 39 services for which the mark is registered.

Link

- 55. The CJEU provided guidance in *Intel* on how to assess whether the public will make the required mental link between the marks:
 - "41. The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case (see, in respect of Article 5(2) of the Directive, *Adidas-Salomon and Adidas Benelux*, paragraph 30, and *Adidas and Adidas Benelux*, paragraph 42).

42. Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant sections of the public;
- the strength of the earlier mark's reputation;
- the degree of the earlier mark's distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public."
- 56. When considering the section 5(2)(b) ground, I found that the EasyJet mark and the registered proprietor's mark shared a low level of visual, aural and conceptual similarity. However, for the purposes of a section 5(3) claim, a lesser degree of similarity may be sufficient to establish a link, as the CJEU noted in *Intra-Presse SAS v OHIM*, Joined cases C-581/13 P and C-582/13 P:

"The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of

Regulation No 40/94 is conditional upon finding a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 49/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in *Ferrero v OHIM*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited."12

57. The applicant has throughout its evidence emphasised the importance of the "EASY" prefix to its brand identity. The word "EASY" is, as I have already noted in paragraph 40, in itself inherently low in distinctive character, as it alludes to a quality to be found in the goods or services. The inherent distinctiveness of the mark for services related to air travel derives from the combination of the two words, but is weighted more towards "EASY" as "JET" describes the services provided. While the relevant services were identical for the purposes of the section 5(2)(b) ground, they are different here. The gambling and gaming services of the applicant are very different from the air travel-related services of the opponent. They are different in nature and purpose. The applicant's services transport people long distances for both business and pleasure and are also used to carry goods. The registered proprietor's services are used by individuals as a way to amuse themselves. The trade channels will be different, although the users of both sets of services are the general public. They are not in competition with each other, nor are they complementary. The average consumer would not expect the services to be provided by the same, or connected, undertakings. I find that the services are different. Consequently there would be no likelihood of confusion under section 5(2)(b) in respect of the registered proprietor's services and airline services, as the services must have some similarity.

¹² Paragraph 72.

58. While the same level of similarity between the marks is not required for section 5(3), low degree of similarity between the marks, and the inherent low distinctiveness of "EASY" solus, lead me to find that the average consumer would not make the link between these marks in the context of such different services.

Outcome of the section 5(3) ground

59. The section 5(3) ground fails.

Section 5(4)(a) ground

60. Section 5(4)(a) of the Act states that:

"A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [...]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of 'an earlier right' in relation to the trade mark."

61. It is settled law that for a successful finding of passing off, three factors must be present: goodwill, misrepresentation and damage. Her Honour Judge Melissa Clarke, sitting as deputy Judge of the High Court, conveniently summarised the essential requirements of the law in Jadebay Limited, Noa and Nani Limited Trading as the Discount Outlet v Clarke-Coles Limited Trading as Feel Good UK [2017] EWHC 1400 IPEC:

"55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL) namely

goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all these limbs.

56. In relation to deception, the court must assess whether 'a substantial number' of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per Interflora Inc v Marks and Spencer Plc [2012] EWCA Civ 1501, [2013] FSR 21)."

62. The applicant pleads that the sign **EZY** is distinctive of EasyJet as it has been used as the flight code for EasyJet since 1995. It explains that:

"When pilots communicate with air traffic controllers, or passengers look for their flight on notice boards at airports, the flight number will be in the formulation EZY plus number (e.g. EZY123)."

- 63. However, no evidence has been adduced that a significant section of the public would recognise EZY as distinctive of EasyJet outside the context of an airport flight information display. I am not persuaded that anyone would be confused or deceived into thinking that the registered proprietor's mark indicates a place to buy EasyJet tickets, or that the applicant is otherwise connected to the services supplied under the contested mark, simply because the opponent uses EZY as a flight code. Nor do I consider that anyone would be encouraged to buy the registered proprietor's services on the basis of EasyJet's flight code. It follows that, even if EZY is distinctive of EasyJet's airline services, use of the contested mark would not constitute a misrepresentation to the public, or cause any damage to the applicant's goodwill.
- 64. The section 5(4)(a) ground fails.

Conclusion

65. The application for a declaration of invalidity has been successful and the subject

registration is hereby declared invalid. Under the provisions of section 47(6) of the

Act, it is deemed never to have been made.

Costs

66. The applicant has been successful. In the circumstances, I award the applicant

the sum of £1050 as a contribution towards its costs. In calculating the sum to be

awarded, I have taken account of the fact that a large part of the applicant's

evidence has been submitted in previous proceedings. The sum is as follows:

Preparing a statement and considering the other side's statement: £250

Preparing evidence: £500

Preparation of written submissions: £300

Total: £1050

67. I therefore order Netlab International S.C. Ltd to pay EasyGroup Limited the sum

of £1050. The above sum should 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 4th day of July 2019

Clare Boucher

For the Registrar,

Comptroller-General