O-337-20

TRADE MARKS ACT 1994

IN THE MATTER OF:

APPLICATION NOS 3314613 & 3314600 BY QURATE RETAIL, INC.

AND

CONSOLIDATED OPPOSITIONS THERETO UNDER NOS 414241 & 416032 BY THOMAS BROOKE

Background and pleadings

1. These consolidated proceedings concern two applications to register trade marks made by Qurate Retail, Inc. ("the applicant") on 31 May 2018. The first is trade mark application number 3314613 for the trade mark shown below:



This mark was published for opposition purposes on 31 August 2018.

2. The second application, filed under number 3314600, is for the mark **QURATE RETAIL GROUP**. This mark claims a priority date of 5 January 2018, based on five South African trade marks. UK trade mark 3314600 was published on 18 January 2019.

3. Both applications are for a range of goods and services in classes 9, 35, 36, 38 and 41 which are shown in full in the annexe to this decision. With the exception of one term, the specifications are identical.

4. The applications are opposed by Thomas Brooke ("the opponent"). The grounds, which are the same for both oppositions, are based upon ss. 5(1), 5(2)(a), 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 ("the Act"). The oppositions are, under each of these grounds, directed against all of the goods and services in the applications.

5. Under ss. 5(1), 5(2)(a), 5(2)(b) and 5(3), the opponent relies upon his earlier European Union trade mark 11513348 **QURATE**, along with all of the various goods and services in classes 9, 38, 41 and 42 for which it is registered and which are shown in full in the annexe to this decision. The mark was filed on 23 January 2013 and registered on 23 July 2013.

6. The opponent claims under ss. 5(1), 5(2)(a) and 5(2)(b) that the marks are identical or similar and that the goods and services are identical or similar. He claims that the applications therefore offend under s. 5(1) or that there will be a likelihood of confusion under ss. 5(2)(a) or 5(2)(b).

7. Under s. 5(3), the opponent claims that his mark has a reputation in the UK such that use of the contested marks would cause the relevant public to believe that there is an economic connection between the applicant and the opponent, where no such connection exists. It is said that use of the contested marks would confer an unfair advantage on the applicant, which would benefit from the prestige and the marketing efforts of the opponent without making any investment of its own. The opponent also claims that the ability of the opponent's mark to distinguish its goods and services will be damaged and that the reputation of the earlier mark would be tarnished if the goods and services provided under the contested marks are of poor quality.

8. Under s. 5(4)(a), the opponent claims that he has used the sign **QURATE** in the UK since 2005 in relation to an "IT platform for digital content management and related goods/services". It is claimed that the opponent has established a significant reputation and goodwill under the sign and that use of the contested marks would constitute a misrepresentation giving rise to passing off.

9. The opponent further contends that the contested applications offend against s. 3(6) of the Act. He says that the application was made in bad faith because proposals for purchase of his mark were made by the applicant but that no conclusion being reached the applicant applied for the contested marks. Mr Brooke asserts that as a result "the Applicant knew that they were making the Application with an improper intention and with flagrant disregard of the Opponent's ownership which falls short of the standards of acceptable commercial behaviour". The applicant's application to cancel EU11513348 is said to be further evidence of the "dishonest desire of the Applicant to cause disruption to the Opponent's activities".

10. The applicant filed counterstatements denying all of the grounds. It denies that the marks are identical and that there is a likelihood of confusion. It says that to the extent that there is any similarity between the goods and services, that is due to a lack of clarity and precision in the earlier mark's specification. The applicant put Mr Brooke to proof that his mark has been put to genuine use in the relevant period and denies that the marks enjoy a reputation. It denies that the opponent has the necessary goodwill and that there would be a misrepresentation because the businesses are "non-competitive". The applicant denies that the opponent refused any sale of his rights and outlines the progress of negotiations between the parties, stating that it applied for the marks after the negotiations failed and the non-use grace period ended. It says that the applications were made with a "firm and present intention" to use the contested marks.

11. Both parties filed evidence. A hearing was held before me, by videoconference, on 7 April 2020. The applicant was represented by Tom St Quintin of Counsel, instructed by Potter Clarkson LLP. Mr Brooke chose not to attend the hearing but filed written submissions in lieu, which I will take into account. He has had professional representation throughout and is now represented by Wilson Gunn.

Case management

12. A case management conference ("CMC") was held on 3 October 2019 to discuss the applicant's request for suspension of these proceedings pending the outcome of revocation proceedings at the EUIPO. In addition, the applicant sought an extension of time for filing its evidence and disclosure of the electronic version of exhibit TB9 of the opponent's evidence. I refused the suspension but allowed the extension and ordered disclosure of the exhibit, for the reasons given in my letter of 3 October 2019.

13. Subsequently, the applicant requested that the opponent's exhibit TB9 be struck out on the basis that the opponent had not complied with the order for disclosure. Following written submissions from the parties, I refused to strike out the exhibit, for the reasons contained in my letter of 12 December 2019.

Evidence

14. I have read all of the evidence but will summarise it only to the extent I consider necessary.

Opponent's evidence

15. This consists of the two witness statements of Thomas Brooke, with accompanying exhibits.

16. Mr Brooke says that he is the sole shareholder in Qurate Limited, which is a subsidiary of Qurate, Inc. Qurate Limited has offices in London and was registered in November 2016, whilst Qurate, Inc. is a Japanese company incorporated in February 2014 of which Mr Brooke is the sole director and majority shareholder.¹

17. Mr Brooke explains that "QURATE" is an IT system which began development in 2008. He says that the mark is used in relation to "an IT platform that enables creative, content, marketing, social and analytics professionals to work together in one place". There are two formats: "QURATE IO", which is a "fast web service that provides users with secure connectivity to multiple APIs through a single integration"; and "QURATE Content HUB", which "facilitates a unified content strategy". Mr Brooke says that "[it] enables digital content management with real-time content curation, multi-format publishing, and cross-channel analytics on one single platform" and uses software to allow companies to publish directly from their "content hub" to social media.²

18. There is further detail about the products at exhibit TB, which contains the submissions and evidence filed in revocation proceedings at the EUIPO against the earlier mark. It is said that the mark has been used in the UK, France, Germany, Finland and the Netherlands since 2005, with the domain name www.qurate.com being registered

¹ Brooke 1, §3 and exhibit TB, p. 4. See also exhibit TB1, p. 16.

² Brooke 1, §5.

on 21 December 2005 and qurate.uk in January 2017, although other domains and social media handles including the word "qurate" are said to be operated by the opponent.³

19. It is said that the "QURATE IT" platform powers an application called "QUE", which is described as "Powered by Qurate®" and "brought to you by Qurate®".⁴

20. It is said that the opponent's platforms are aimed at large agencies and that introduction to first sale takes several years. Various companies are named with which the proprietor was (at the date of the submissions) in negotiations. It is said that over US\$2.5 million in capital has been secured for products bearing the "QURATE" mark and that the operation is becoming "extremely active globally with full market rollout imminent".⁵ The locations of the investors are not given.

21. It is said that marketing of "QURATE" to UK and EU customers began between 2005 and 2014.⁶ Global customers are put at 48,500, of whom 6,500 are in the EU and include customers in the UK.

22. Approximately £10,000 is said to have been spent over the period 2013 to 2018 on marketing and advertising in the EU, whilst EU sales are said to total £80,504, broken down as follows:⁷

2014: £27,451 2015: £24,900 2016: £8,430 2017: £19,291 2018: £432

³ Exhibit TB, pp. 3-4; exhibit TB1.

⁴ Exhibit TB, §8.

⁵ Exhibit TB, §9.

⁶ Exhibit TB, §10.

⁷ Exhibit TB, §§11-12.

23. Undated prints said to be from the opponent's website are in evidence, which appear to bear a copyright date of 2013.⁸ "Qurate" is used throughout; there is one reference to "Qurate (Qr8)". The product is described as an "application making application system" or "The App-Making AppTM" and is said to allow "anyone to very quickly and easily create, manage and distribute powerful and beautiful applications for a range of devices and unlimited purposes". Three steps are outlined: create content, create app and publish app. Notwithstanding the statement that these pages are from the opponent's website, they are not screenshots and the pages are marked "Not for general distribution". In addition, there is a presentation about "Qurate: Digital Marketing Platform".⁹ Although the presentation is not itself dated, there is reference to the number of staff employed as of February 2018. "Qurate CX Hub" is described as a "Digital Content Transformation Marketing Platform" which appears to offer listening, publishing, analytics and integration functionalities.

24. An archive print dated 2014 from qurate.com shows "Qurate" on an otherwise plain page.¹⁰ Prints from qurate.com, with a copyright date of 2018, are also in evidence.¹¹ "Qurate" is visible at the top of the page, under which "platforms and services for the curated internet" is shown, along with "Qurate IO" and "Qurate Content Hub". London is listed as one of the offices. Other pages are provided but whilst terms such as "content timeline", "content composer", "cross-channel listening" and "insightful analytics" are visible, the rest is too small to make out. I note that "Qurate Content Hub" is said to be "currently available for Enterprise clients" and that the small team version is "launching soon".

25. Google Analytics data is provided.¹² It shows 111 users in Europe in November 2018, which is outside the relevant period. Alexa traffic data is also provided but gives only the global rank (4,075,019).¹³

- ⁹ Exhibit TB9.
- ¹⁰ Exhibit TB2.
- ¹¹ Exhibit TB2.
- ¹² Exhibit TB7.¹³ Exhibit TB8.

⁸ Exhibit TB9.

26. Prints and sales figures relating to the "Que" app are in evidence.¹⁴ Not all are dated. A print from the Apple app store shows the "Que" app available, which is described as an app for creating websites. Although "Qurate Inc" is named underneath and the copyright date is 2016, prices are in dollars and the contact number is a US number. Prints from iTunes appear to show that the "Que" app by Qurate, Inc. has been available since 2016 (the date on which the page was last updated); again, prices are in dollars. There also appears to be a print from the "Qurate Site lite" which has a copyright date of 2018 and is about the "Que Media Kit". "Powered by Qurate®" and "brought to you by Qurate®" are visible on this page. An archive web print from http://que.tm:80 dated September 2015 shows advertising for the "Que" app, which is "coming soon"; "Qurate" is visible on a mobile telephone screen. EU sales are given as \$964 or 6,530 units between February 2016 and October 2018 for the app.

27. A licence agreement between Qurate, Inc. and Bacardi-Martini B.V., dated 25 August 2015, is provided.¹⁵ It is said that this licence concerns "QURATE" but the licence itself specifies six "Qr8 Gems": "Qurate" is not visible other than in the company name/email address.

28. Invoices said to show customers in the UK and the Netherlands are provided.¹⁶ Mr Brooke's evidence is that the invoices to popLAB and Gravity Road (companies in the UK) relate to the Bacardi licence.¹⁷ The remaining seven invoices, dated May 2017 to January 2018, are from Qurate Ltd (i.e. the UK company) and total just under £20,000. They appear to be to two customers (Sync and Bloomsbury Economics; it is possible that the invoices to Richard Davies are to him in his personal capacity but, given the "Bloomsbury"/"BE" references, it is unlikely). Products itemised are "technical scope of work and deliverables", "design", "build", "revisions", "UX design", "UI design", "backend development", "frontend development" and "system, server and maintenance"; none is identified as "QURATE".

¹⁴ Exhibit TB3.

¹⁵ Exhibit TB4.

¹⁶ Exhibit TB4.

¹⁷ Brooke 1, p. 2.

29. A number of emails dated 2015 to August 2018 and other documents are exhibited which are said mainly to concern the "QURATE Content Hub".¹⁸ The various chains of emails show efforts to present the opponent's goods/services to different businesses. These appear to concern five separate companies. There are, for example, references to a possible "solution built on Qurate", "our Qurate CMS" and "the full Qurate platform" which appear to concern a 2018 estimate for works (pp. 1-2); emails about the potential provision of a Qurate system, including the platform, an editor and curated hub to a UK company (pp. 50-56); and emails from 2016 concerning a revised estimate where Qurate is mentioned as a product, though the estimate does not appear to include a fee for "Qurate" (referenced separately as "3.85k") (pp. 15-16). Emails from August 2015 mention Qurate as the technology provider in connection with a Bacardi system (pp. 8-9). The attached licence is entitled "Qr8 Gem Licence", though one of Mr Brooke's emails refers to the "Qurate gems". An email dated July 2017 contains a proposal for a "Gravity" Road Platform by Qurate" (p. 19). There are also emails concerning the Gravity Road Oreo website dated December 2015 (pp. 12-14). Although it appears that Mr Brooke's company would be subcontracted for some work, there is no mention of the trade mark and the company is The Muse IPA.

30. A statement of work is provided which has a project start date of 1 August 2015, with a five-month term (TB5, pp. 22-25). It identifies the responsibilities of Gravity Road Limited and popLAB Ltd (the latter being the vendor) in a project for Bacardi-Martini. The project is a visual redesign of the Mixed Cocktails website and "an improved CMS platform with easier administrative functionalities and enhanced publishing capabilities". "The Mixed Cocktails CMS" is described as "a ruby-on-rails application which integrates, and is dependent upon, several open-source and rights-managed third-party gems". The gems are maintained by external developers and the site can be hosted by the developer, for a fee, or the client may make other arrangements. The developer name is given as "Qurate via popLAB Ltd".

¹⁸ Exhibit TB5.

31. I note that in an email dated 2016 "Qurate" is described as a platform for companies "building a CMS that is the evolution of Wordpress" and that the company is said to be "mid-stage", with customers.¹⁹ Emails and other documents relating to the Havas incubator in Paris, which appears to offer business support to start-up companies, are provided (pp. 26-49). They are dated May-June 2017 and contain an indication that the opponent's "Product is finalized AND activity with clients. Still finalizing sales strategy". In an email dated 21 February 2018 Mr Brooke says that the platform has evolved and is called "Qurate CX Hub, a Platform as a Service designed for the era of Digital Content Transformation" (p. 40). The same exhibit also contains information about presentations, including "Introduction to Qurate" talks by Mr Brooke in June 2016, December 2016 (pp. 17-18) and February 2017 (p.21), though these appear to be internal to Gravity Road.

32. There are also at exhibit TB5 quotations for BNP Paribas Content Hub, Gravity Road Content Hub and Sync, dated April and June 2017 (pp. 57-62). These quotations include various services, such as a content hub platform and a "Qurate Platform License" as well as design and development of a website and web app.

33. Evidence is provided of attendance at an exhibition at the ExCel in London in 2015 and at an unspecified UK location in June 2018.²⁰ The earlier mark is visible only in the information about the later event, where it is seen both on its own and as "Qurate Content Hub". It is also described as a "Digital Marketing Platform". Information from June 2019 about exhibitors in 2018 describes Qurate as digital content management with real-time content curation, multi-format publishing and cross-channel analytics.

34. Mr Brooke states that on 21 December 2017, the applicant, through his attorneys, offered to buy all of his trade marks "as they knew that I was using the mark for identical and similar products and services that they hoped to use the QURATE RETAIL GROUP mark on within the UK". He says that this "illustrates the Applicant's clear knowledge of my prior rights and the improper motive in which they have acted in filing the Application,

¹⁹ Exhibit TB5, p. 6

²⁰ Exhibit TB6.

in that they went ahead regardless when I was not willing to agree to a deal on their terms".²¹

35. Much of Mr Brooke's second statement, filed in response to the applicant's evidence, is, in fact, submission. I will bear these submissions in mind but do not need to summarise them. Mr Brooke does, however, provide at exhibit TB10 emails dated March 2018. It is said that the link in these emails contains the presentation at pages 7-18 of exhibit TB10. The contents of the link are not presented in evidence but they are identified in the email as including a video walkthrough and brochure-style PDF the Qurate Content Hub.

Applicant's evidence

36. The first statement filed on behalf of the applicant is that of Howard Schiller, of QVC, Inc., the applicant's parent company. Mr Schiller says that he is a Senior Brand Strategist and was part of a team responsible for the branding behind the "QURATE RETAIL GROUP" mark.

37. Mr Schiller accounts for the creation of "Qurate Retail Group" as a sign as follows:

"This mark was intended to convey some of the meaning of the word "curate", namely a corporation that provides superintendence of a retail group involved in broadcast entertainment, home shopping, interactive retail and mail order sales of general merchandize, but with the first word spelt with an initial letter Q to create an association with Qurate Retail, Inc.'s Q trade mark [UK3292967]".

38. Mr Schiller exhibits a style guide for the QURATE RETAIL GROUP brand, which indicates it was modified in February 2018.²² Both contested marks are visible.

²¹ Brooke 1, §6.

²² Exhibit HS1.

39. The second statement filed on behalf of the applicant is that of Christopher Baume, a Chartered Trade Mark Attorney at Wildbore & Gibbons, part of Potter Clarkson LLP, the applicant's representatives.

40. I do not need to describe Mr Baume's evidence in detail. Suffice to say that he gives evidence that he has reviewed various electronic documents and compared these with the opponent's evidence as filed. He points out some differences but for present purposes it is only necessary to note that exhibit CAB4 consists of screenshots taken on 26 July 2019. They are said to show elements of pages 7-18 of exhibit TB9, with creation dates between 2 February 2018 and 1 March 2018 (which are within the relevant period). Mr Baume also reviewed the documents covered by the order for disclosure and his evidence is that the documents called "18A 2013-08-21 Qurate Presentation.pdf" and "Qurate.pdf" are the same as pages 1-6 of exhibit TB9 and have a creation date of 21 August 2013; and that "Qurate CX London.pdf" is the same as pages 7-18 of exhibit TB9 and has a creation date of 6 March 2018.²³ I note that these are also the "modified" dates in the accompanying exhibit.

41. That concludes my summary of the evidence, to the extent I consider it necessary.

Proof of use

Do the use provisions apply?

42. Given its date of filing, the opponent's EU trade mark qualifies as an earlier mark in accordance with s. 6 of the Act. Although on 26 February 2020 the EUIPO issued a decision revoking the mark on the grounds of non-use, the effective date of revocation is 27 July 2018. The interplay between the respective filing and priority dates means that,

²³ See also exhibit CAB6.

irrespective of the outcome of any appeal against the EUIPO's decision, EU11513348 remains an earlier mark under s. 6 of the Act.²⁴

43. The use conditions are at s. 6A of the Act. The opposition against UK3314613 was filed on 31 October 2018. At the time, the relevant statutory provisions read as follows:

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

6A- (1) This section applies where -

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

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

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

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

(3) The use conditions are met if –

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

²⁴ The applicant asserted in its skeleton argument that the practice of this tribunal is different from that at the EUIPO and that it is wrong but it gave no reasons. It does not ask me to consider the issue or make any decision in this regard.

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

(4) For these purposes -

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

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

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

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

44. There can be no doubt, and it is not contested, that as the earlier mark was registered on 26 July 2013 and UK3314613 was published on 31 August 2018, the earlier mark is subject to proof of use in the opposition against UK3314613. The opponent indicates in his notice of opposition that he has used the mark on or in relation to all of the goods and services on which he relies. In its counterstatement, the applicant requests that proof of use be provided. The relevant period for showing use in this opposition is 1 September 2013 to 31 August 2018.

45. The applicant submits that there is scope for argument as to whether proof of use is applicable in the opposition against UK3314600. The opponent has not made any

submissions on this point; as Mr St Quintin pointed out, the papers, including the notice of opposition, appear to indicate acceptance that evidence of use is required. I acknowledge that the opponent appears not to have appreciated that whether the use provisions apply might differ for the two oppositions. However, whether the earlier mark had been registered for the requisite period of time is an objective test where the opponent's understanding of the position does not form part of the relevant criteria.

46. On 14 January 2019, the Trade Mark Regulations 2018 ("the 2018 Regulations") came into force, which amended the Act. This included s. 6A, the relevant parts of which now read as follows:

"6A Raising of relative grounds in opposition proceedings in case of non-use

- (1) This section applies where—
- (a) an application for registration of a trade mark has been published,

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

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application".

47. Despite being filed on 31 May 2018, and claiming a priority date of 5 January 2018, UK3314600 was not published until 18 January 2019. The opposition against this trade

mark was, therefore, filed after the amendments to the Act made by the 2018 Regulations. Published UKIPO guidance is that oppositions launched on or after 14 January 2019 are governed by the new law.²⁵ The applicant submits that this guidance has no legal force and is wrong. It submits that the relevant legislation is that in force at the priority date. It accepts that there are no relevant transitional provisions in the 2018 Regulations. However, Mr St Quintin argued that if the amended provisions applied, that would amount to a law with retrospective effect on the rights of the proprietor of the trade mark. For the proposition that legislation should not have retrospective effect he relied upon *Lauri v. Renad* [1892] 3 Ch. 402 at page 421, where Lindley LJ (as he then was) said:

"It is a fundamental rule of English law that no statute shall be construed so as to have a retrospective operation unless its language is such as plainly to require such a construction; and the same rule involves another and subordinate rule to the effect that a statute is not to be construed so as to have a greater retrospective operation than its language renders necessary."

48. As the filing (or priority) date is the relevant date for determining whether oppositions on relative grounds succeed, Mr St Quintin submitted, it makes sense that this is the relevant date for deciding the applicable law and it would be illogical if the opposition date was instead taken to be the relevant date. Further, Mr St Quintin submitted that the filing date is also important because it is the only date over which the applicant itself has any control.

49. I accept that the 2018 Regulations and related changes to the Act mean that an opponent is faced with different requirements for proving use than under the previous regime and that, as in this case, the alteration of the relevant period may mean that the applicant cannot require that an opponent provide evidence of use. However, it is less clear to me that applying the Act in effect at the time opposition proceedings are brought is giving retrospective effect to that law. On the contrary, the application of the law which is in force when proceedings are launched is not giving it retrospective effect: the law is

²⁵ https://www.gov.uk/government/consultations/implementation-of-the-trade-mark-directive-2015.

current. Whilst I can see the logic of the applicant's submission that the applicable law should be determined by the application or priority date, as much as it is trite that legislation is not retrospective unless clearly required, it is also trite that an old statute is replaced by the new. I also remind myself that there are no transitional arrangements relating to the genuine use provisions (unlike, for example, in 2004 when the provisions were brought in).²⁶ In such circumstances, I see no reason why the law in effect at the date on which proceedings are brought should not be considered the applicable law; to approach the matter otherwise would be to prefer old law when there is no apparent provision for the application of such law over existing legislation. Had the legislature wished to make alternative arrangements, it was plainly in its gift to do so. However, there is nothing in the new legislation, and I have not been taken to any other relevant documents, which would suggest any such intention. On the contrary, Directive 2015/2436 which underpins the 2018 Regulations specifies at Article 54 that Member States must bring into force all of the laws, regulations and administrative provisions necessary to comply with its provisions (including those concerning the relevant period) by 14 January 2019.²⁷ That points towards, rather than away from, a conclusion that the amendments to the Act carried out because of the Directive were intended to have full effect from 14 January 2019.

50. I do not think that the ability of the applicant to influence the filing date has any material importance in such circumstances. In addition, the calculation of the use period does not, strictly speaking, affect the property rights associated with the trade mark application; rather it affects the conditions for an earlier mark owner wishing to assert its own property rights in opposition proceedings. The alteration of the use period is a procedural matter which, in my view, itself has no substantive effect on the applicant's rights, though clearly the outcome of a finding on use may have a significant impact on an opposition against those rights.

²⁶ See The Trade Marks (Proof of Use, etc.) Regulations 2004.

²⁷ Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks.

51. UK3314600 claims a priority date of 5 January 2018, by which date the earlier mark had not been registered for five years. The proof of use provisions at s. 6A (as amended) are not applicable and the opponent may, therefore, rely upon all of the goods and services he has identified, without providing evidence that he has used the mark.

Genuine use: assessment

52. I have determined that the proof of use provisions apply only to the opposition against UK3314613. In assessing genuine use, in addition to the provisions at s. 6A those at s. 100 are also relevant. They read:

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

53. When considering whether genuine use has been shown, I must apply the same factors as if I were determining an application for revocation based on grounds of nonuse. What constitutes genuine use has been subject to a number of judgments. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

"114. [...] The CJEU has considered what amounts to "genuine use" of a trade mark in a series of cases: Case C-40/01 Ansul BV v Ajax Brandbeveiliging BV [2003] ECR I-2439, La Mer (cited above), Case C-416/04 P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [2006] ECR I-4237. Case C-442/07 Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky' [2008] ECR I-9223, Case C-495/07 Silberguelle GmbH v Maselli-Strickmode GmbH [2009] ECR I-2759, Case C-149/11 Leno Merken BV v Hagelkruis Beheer BV [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG

[EU:C:2013:592], [2014] ETMR, Case C-141/13 P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) [EU:C:2014:2089] and Case C-689/15 W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the

latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]".

54. In *Leno Merken BV v Hagelkruis Beheer BV,* EU:C:2012:816, Case C-149/11, the Court of Justice ("CJEU") of the European Union noted that:

"36. It should, however, be observed that [...] the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase 'in the Community' is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use".

And

"50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as 'genuine use', it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark".

And

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

55. The court held that:

"Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to 'genuine use in the Community' within the meaning of that provision.

A Community trade mark is put to 'genuine use' within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity".

56. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

"228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issues in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State". On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use".

57. The General Court ("GC") restated its interpretation of *Leno Merken* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods/services being limited to that area of the Union.

58. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods/services at issue in the Union during the relevant five-year period. In making the required assessment I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown
- ii) The nature of the use shown
- iii) The goods and services for which use has been shown
- iv) The nature of those goods/services and the market(s) for them
- v) The geographical extent of the use shown.

59. In *Awareness Limited v Plymouth City Council,* BL O/236/13, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

"22. The burden lies on the registered proprietor to prove use [...]. However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public",

and further at paragraph 28:

"28. [...] I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as "tuition services", is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to "tuition services" even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted".

60. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd,* BL O/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

"21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not '*show*' (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use".

61. Use which is not sham or token (i.e. solely to preserve a registration) may still be insufficient to qualify as genuine if it is not shown to be "warranted in the economic sector". In *Naazneen Investments Ltd v OHIM*, Case T-250/13, the GC upheld a decision by the OHIM Board of Appeal that use, although not sham or otherwise purely to maintain the trade mark registration, was insufficient, in the economic sector concerned, for the purposes of maintaining or creating market share for the goods covered by that Community trade mark.²⁸ The use was, therefore, not genuine use. The judgment of the GC was upheld on further appeal to the CJEU: see Case C-252/15 P. In *Jumpman Trade Mark*, BL O/222/16, a hearing officer's decision that sales of 55,000 pairs of trainers did not constitute genuine use was upheld on appeal to the Appointed Person.²⁹

62. The opponent's evidence is that sales under the mark in the relevant period were in excess of £80,000. This figure is in no way broken down across the numerous classes of goods and services for which the mark is registered. Mr St Quintin says I should not rely upon this evidence because it is contained in submissions filed before the EUIPO rather than in Mr Brooke's own statement. I do not think this point has merit, although the form of the evidence is not ideal. The submissions are exhibited to Mr Brooke's witness statement and the evidence in all of the exhibits is, therefore, his. That said, I have concerns that Mr Brooke's narrative evidence conflates use of "Qurate" with use of "Qr8" or references to the company name (where it does not, or does not also, have a trade mark function) with trade mark use. That is because Mr Brooke states that the invoices in evidence relate to "QURATE". The invoices do not identify any of the services as "Qurate" and, where "Qurate" is visible on the invoices (it is not on all of them), it is as part of the company name. When presented in this way, the mark is not being used as a trade mark but only to identify the corporate entity issuing the invoice. In addition, a number of the invoices are said to relate to the licence agreement with Bacardi, to which Mr Brooke's statement that the use is in relation to "QURATE" also applies. The licence records Qurate, Inc. as a party but does not identify the goods as "Qurate"; rather they are "Qr8" gems. I do not, therefore, consider that it is safe for me to rely upon Mr Brooke's

²⁸ See, in particular, [46]-[52].

²⁹ See also *Strada Del Sole Trade Mark,* BL O/528/15.

assertions and conclude that all of the claimed sales are in relation to the trade mark "Qurate": I must look to the documentary evidence for support. For completeness, I should add that even if the opponent uses "Qr8" and "Qurate" interchangeably, "Qr8" is plainly not an acceptable variant form of the mark: the combination of letters and numbers is quite different from an invented word and alters the word mark's distinctive character.³⁰

63. There is some evidence that in 2018 "Qurate" was used on the opponent's website in relation to "platforms and services for the curated internet", and as part of the "Qurate IO" and "Qurate Content Hub" offers. A London office is listed. However, the relevant period runs only until 31 August 2018 and these prints do not show clearly whether they were on the website before that date. The presentation in evidence from 2018 appears to have been created in early March 2018; I accept that it is more likely than not, given the period of time between creation and the end of the relevant period, that it was on the website by August, though for exactly how long I cannot determine.

64. The seven invoices dated between May 2017 and January 2018 show what appear to be (there is no commentary) various computer/system design and maintenance services, some more specific than others. The invoices total less than £20,000. Even if I were satisfied that these services were offered under the trade mark, I do not consider that the figures involved constitute sufficient sales to be warranted in the sector. I have no evidence of the size of the sector but the construction of websites is clearly not a niche field. The evidence showing use of "Qurate" in 2018 is not clearly before the relevant date but, even if it were, the 2018 sales are just £432, which is vanishingly small.

65. There is no convincing evidence of outward-facing use of "Qurate" on goods or services for customers in the EU before 2018. Whilst "Qurate" was shown on a web page from 2014, no goods or services are mentioned. I acknowledge that there is some evidence that "Qurate" was used in relation to an "App-Making App" in 2013. However, it is unclear whether this material was made available to the public: there is a tension between what Mr Brooke says and the document itself, which is not a screenshot showing

³⁰ S. 6A(4)(a) refers; the applicable test is in *Nirvana Trade Mark*, BL O/262/06 at [33]-[34].

an address bar and contains a notice that it is not for general distribution. There is no documentary evidence of any sales of a "Qurate" application before 2015: the invoices are for services only. The "Que" sales figures are from 2016: the "Que" application was still "coming soon" in September 2015. Moreover, the evidence relating to the "Que" application gives figures in dollars, suggesting it was not directed at customers in the EU. In any event, just \$964 of EU sales are shown between February 2016 and October 2018. Even if "Qurate" were used in relation to this application in the EU, those sales figures are, on any view, very small.

66. I note that it is said that the opponent's goods and services are aimed at large agencies and that it can take several years to obtain actual sales. Quite apart from the fact that the period for showing genuine use is a period of several years, the evidence which has been supplied of marketing efforts is limited. Advertising is said to have been approximately £10,000. That is not a significant sum given the length of the period concerned. There is evidence that the mark was used at one trade fair in the relevant period and of emails to five businesses to try to drum up custom. The emails begin in 2015 but there is nothing to suggest that any of these contacts resulted in confirmed sales of "Qurate" goods and/or services; although the Havas incubator evidence indicates that the product was finalised by June 2017 and that there was "activity" with clients, it is also said that the sales strategy is yet to be decided. That suggests that any marketing which had occurred by that date was not systematic or part of a coherent or sustained strategy, as does the fact that only five companies appear to have been contacted. There is no evidence that the position materially changed subsequently.

67. In summary, there is no clear connection between the services for which there are confirmed sales and the use of the mark on or in relation to those services. The invoice evidence is insufficiently solid to support the claimed level of sales, vitiated as it is by what appears to be Mr Brooke's conflation of different trade marks and both trade mark and non-trade-mark use of "Qurate". The invoices which do not concern the "Qr8" licence concern only two customers (three at best). If the opponent had 6,500 customers, it ought to have been straightforward to show it. There is also an absence of supporting material

showing use of the mark on, for example, websites and other promotional material throughout the relevant period which might support the claimed level of sales and customers: the website evidence prior to 2018 does not clearly show that the earlier mark was used externally, or the goods and/or services in relation to which it was used. The sales of the "Que" application, even they were in the EU as opposed to the US, and even if use of "Qurate" in connection with that application were trade mark use, are too small to make a material difference. The marketing and promotional efforts of the opponent have been limited, there is very little evidence of attempts to create business in the EU; the evidence which has been provided concerns only five companies, with no evidence that actual sales resulted. Although the website appears to have evolved by 2018 and a presentation had been created, the claimed sales figures for 2018 are tiny. My view is that the evidence, taken as a whole, does not establish genuine use.

68. As a consequence of my finding of no genuine use, Mr Brooke may not rely upon the earlier mark for the goods and services identified. The opposition against UK3314613, insofar as it is based on ss. 5(1), 5(2)(a), 5(2)(b) and 5(3), is, therefore, dismissed. I will return to the s. 5(4)(a) and s. 3(6) grounds later in this decision.

Sections 5(1), 5(2)(a) and 5(2)(b)

69. The relevant parts of the Act read as follows:

"5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected".

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

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

70. S. 5A is also relevant. It reads:

"5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only".

Sections 5(1) and 5(2)(a): are the marks identical?

71. In order to get an objection under ss. 5(1) or 5(2)(a) off the ground, the competing trade marks must be identical. In *S.A. Société LTJ Diffusion v Sadas Vertbaudet SA*, Case C-291/00, the CJEU held that:

"54 [...] a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer".

72. In *Reed Executive plc v Reed Business Information Ltd,* Court of Appeal [2004] RPC 767, Jacob L.J. found that 'Reed' was not identical to 'Reed Business Information' even for information services. He stated that:

"40. It was over "Reed Business Information" that battle was joined. The composite is not the same as, for example, use of the word "Reed" in the

sentence: "Get business information from Reed". In the latter case the only "trade-marky" bit would be "Reed". In the former, the name as a whole is "Reed Business Information". The use of capital letters is of some visual significance – it conveys to the average user that "Business Information" is part of the name. If the added words had been wholly and specifically descriptive – really adding nothing at all (e.g. "Palmolive Soap" compared to "Palmolive") the position might have been different. But "Business Information" is not so descriptive – it is too general for that."

73. In support, the opponent relies upon *AAH Pharmaceuticals v VantageMax* [2002] EWHC 990 (Ch), 2002 WL 498817, 2003] FSR 34. The case was an application for summary judgment, in which it was held, at [44], that the word "Rewards" in the trade mark "Vantage Rewards" was wholly descriptive and that it was, as a consequence, identical to the trade mark "Vantage". The case is, however, of limited assistance to the opponent. It was an application for summary judgment in the High Court and predates both *LTJ Diffusion* and *Reed*. In addition, the part of the mark which was held to be descriptive is clearly not the same as the disputed parts of the mark at issue before me. Nevertheless, the opponent submits that the word "Rewards" was merely descriptive of the services and that the same applies by analogy to the words "RETAIL GROUP".

74. The applicant submits that the words "RETAIL GROUP" will not go unnoticed. It submits that it is irrelevant that "RETAIL GROUP", when taken alone, might be descriptive for some of the services.

75. The words "RETAIL GROUP" are clearly capable of being wholly descriptive of a group (of companies) which offers or is connected with retail services. However, I am not persuaded that the words are wholly and specifically descriptive of the services themselves, as distinct from the entity which provides them. For that reason, I do not think that the differences between "QURATE" and "QURATE RETAIL GROUP" will go unnoticed by the average consumer. The marks are not identical. The opposition under ss. 5(1) and 5(2)(a) is dismissed.

Section 5(2)(b)

76. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, EU:C:1997:528, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, EU:C:1998:442, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, EU:C:1999:323, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, EU:C:2000:339, *Matratzen Concord GmbH v OHIM*, Case C-3/03, EU:C:2004:233, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, EU:C:2005:594, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P, EU:C:2007:333, and *Bimbo SA v OHIM*, Case C-591/12P, EU:C:2016:591:

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

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

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements; (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

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

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

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

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

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

(k) if the association between the marks creates a risk that the public 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 and services

77. When making the comparison, all relevant factors relating to the goods and services in the specification should be taken into account. In *Canon*, the CJEU stated at paragraph 23 of its judgment:

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

78. Guidance on this issue has also come from Jacob J. (as he then was) in *British Sugar Plc v James Robertson & Sons Ltd* (the *Treat* case), [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

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

79. In *Sky v Skykick* [2020] EWHC 990 (Ch), Arnold LJ considered the validity of trade marks registered for, amongst many other things, the general term 'computer software'. In the course of his judgment he set out the following summary of the correct approach to interpreting broad and/or vague terms:

"56. [...] the applicable principles of interpretation are as follows:

(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded".

80. In *Kurt Hesse v OHIM*, Case C-50/15 P, EU:C:2016:34, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as 'complementary' and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. chicken against transport services for chickens. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, EU:T:2009:428, the GC stated that "complementary" means:

"[...] 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".

81. I also bear in mind the comments of Daniel Alexander Q.C., sitting as the Appointed Person, in *Sandra Amelia Mary Elliot v LRC Holdings Limited*, BL O/255/13, where he warned against applying too rigid a test when considering complementarity:

"20. In my judgment, the reference to "legal definition" suggests almost that the guidance in Boston is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston".

82. Mr St Quintin accepted that the goods in class 9 and the services in classes 38 and 41 of the contested application are identical to goods or services in the same classes of the earlier mark's specification.³¹

83. The opponent has provided only brief submissions regarding the similarity between the services in classes 35 and 36 and the goods and services of the earlier mark. It is submitted that the applicant's services in class 35 are similar to goods in class 9 of the earlier specification. He does not appear to identify any goods or services in the earlier specification which it considers would be similar to the contested services in class 36.

Class 35: Interactive retail services provided via computer, television, and digital devices; catalogue and mail order retail services, all of the aforementioned retail services connected with the sale of general merchandise in the fields of fashion, jewellery, beauty, cooking and dining, household utensils for use in kitchens, small home electronics for the kitchen and entertainment purposes, sport, and playthings, clothing, clothing accessories, textiles, household utensils for use in kitchens and bathrooms, cleaning apparatus and

³¹ Applicant's skeleton argument, §35.

cleaning preparations for human use, do-it-yourself articles, namely materials for handicraft, sewing patterns, electric devices for heating, cooking and cleaning, electrical machines and tools being electrically operated handheld tools, cordless handheld tools, hand-operated tools and instruments, all for domestic use, computers and computer accessories, garden requisites, namely garden hoses, watering cans, flower pots, live plants, towels, shovels, pruning shears, garden gloves, garden seats, garden furniture, garden statuary, garden lights, string lights, garden lanterns, gardening tools, plants, jewellery, furniture, decorative goods, namely decorative pillows, decorative boxes, decorative statuettes, picture frames, perfumes and pharmaceuticals, goods for everyday use, namely foodstuffs, wine, foodstuffs, food supplements, medical products, office requisites, works of art, sports equipment, travelling requisites, namely luggage, cosmetic bags (sold empty), toiletry bags (sold empty), passport holders; accessories for motor vehicles.

84. The opponent's submissions are that "equivalent goods in [the opponent's] Class 9 specification are similar to those in the context of [the applicant's] retail services". It then highlights the following services: "interactive retail services provided via computer, television, and digital devices; catalogue and mail order retail services; all of the aforementioned retail services connected with the sale of [...] small home electronics for [...] entertainment purposes, [...] computers and computer accessories [...]".

85. The applicant does not accept that there is any similarity between the services in class 35 and any of the goods or services of the earlier mark. Mr St Quintin submitted that the goods and services differ in every relevant respect. Even if the services relate to goods in class 9, he submitted, the retail services are completely different in character and the consumer would not expect the goods and services to be provided by the same parties.

86. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use to 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.

87. In *Tony Van Gulck v Wasabi Frog Ltd,* Case BL O/391/14, Mr Geoffrey Hobbs Q.C. as the Appointed Person reviewed the law concerning retail services v goods. He said (at paragraph 9 of his judgment) that:

"9. 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".

88. However, on the basis of the European courts' judgments in *Sanco SA v OHIM*,³² and *Assembled Investments (Proprietary) Ltd v. OHIM*,³³ upheld on appeal in *Waterford Wedgewood Plc v. Assembled Investments (Proprietary) Ltd*,³⁴ 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;

³² Case C-411/13P

³³ Case T-105/05, at paragraphs [30] to [35] of the judgment

³⁴ Case C-398/07P

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 <u>normally</u> 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 was registered for goods X;

iv) The GC'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).

89. There is an inherent difference in nature, purpose and method of use between goods and services. The users will overlap but at a fairly high level of generality. There may be an overlap in the way in which the goods and services reach the market, as the goods may be sold through the retail channels in the contested specification. There is no competition but there is, in my view, complementarity. There is no evidence which goes to the way in which these goods and services are provided (save for Mr Brooke's evidence of cultivating sales, which is, however, specific to his actual business, not the specification relied upon). "Computer hardware" in the earlier specification includes computers themselves, as well as peripherals such as mice, keyboards and monitors. These goods can equally be described as "computers and computer accessories". "Sound, video and data recording and reproducing instruments and apparatus" covers goods such as DVD players, TV recording devices and music players. These are also "small home electronics for entertainment purposes". These goods in class 9 of the earlier specification are essential for the retail services identified by the opponent and specified at paragraph 84, above. I see no reason why the average consumer would not consider that a retailer of such goods may also be responsible for their manufacture. These goods and services

are complementary. I consider that there is a medium degree of similarity between these goods and services.

90. For the remainder of the contested retail services, the opponent has provided no specific submissions. Turning first to the contested catalogue and mail order retail services, there is no obvious overlap between the goods in the earlier specification and the remaining goods which are the subject of these services. The channels of trade are unlikely to intersect at more than a very superficial level and there is no obvious complementary relationship. These catalogue and mail order retail services are not similar to any of the earlier goods in class 9. As for the contested interactive retail services, which are unlimited, the opponent has only commented on such services in connection with small home electronics for entertainment purposes, computers and computer accessories. No other areas or goods where interactive retail services in relation to such goods or services might be similar to the earlier goods in class 9 have been identified. In the absence of a positive case put forward by the opponent, I can see no obvious basis on which there might be similarity between the remaining interactive retail services and the earlier goods and/or services. Nor do I see any reason why there would be similarity between any of the remaining retail services and any of the other goods or services in the earlier specification. There is no similarity between the remaining retail services and any of the earlier goods or services.

Class 36: Providing financial management in the nature of financial control and financial reporting services for others in the field of interactive retail and mail order sales of general merchandise.

91. The opponent does not appear to suggest that there is any similarity between these services and the earlier specification: it has made no submissions at all regarding the alleged similarity between these services and the earlier goods and/or services. Its submissions in lieu do not identify the class or classes with which it considers the services clash and its only comments in respect of class 36 are in relation to s. 5(3), which allows

for dissimilar services.³⁵ Whilst it has not formally dropped its opposition to these services, it has chosen not to put forward any clear case, unlike for the other contested goods and services. I can see no obvious similarity between these services and the earlier specification and, absent submissions, find that they are not similar. If there is no similarity between the goods and services, there can be no confusion.³⁶ The opposition under s. 5(2)(b) against the services in class 36 is dismissed accordingly.

The average consumer and the nature of the purchasing act

92. It is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then decide the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purposes of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question: *Lloyd Schuhfabrik*.

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

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

³⁵ See statement of grounds at [14].

³⁶ See, for example, Waterford Wedgwood plc v OHIM – C-398/07 P (CJEU)

94. The opponent has not commented on the average consumer or the level of attention s/he will display. The applicant submits that the average consumer of the services in class 38 will pay a high level of attention, whilst the average consumer of the goods and services in classes 9, 35 and 41 will pay an average level of attention to detail.

95. Although the earlier specification is wider and the average consumer for its goods and services is likely to include business users, the average consumer common to both specifications is likely to be a member of the general public. The goods and services all strike me as goods or services which are purchased or used with a reasonable degree of frequency and with some attention to factors such as suitability for purpose or the range of features/services which are offered. I consider that the member of the public is likely to pay a medium degree of attention to the selection of both the goods and the services. The respective goods and services are likely to have a purchasing process which is primarily visual, with the goods and services being selected from retailers' shelves or their online equivalents, and from inspection of, for example, websites, catalogues and advertising material both in print and online. I do not discount that there may also be an oral component to the purchase, for example through discussions with sales representatives or oral recommendations.

Distinctive character of the earlier trade mark

96. The distinctive character of a trade mark can be appraised only, first, by reference to the goods and services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public: *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In *Lloyd Schuhfabrik*, the CJEU stated that:

"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-2779, 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)".

97. The applicant submits that the earlier mark is not distinctive, being a misspelling of "curate" and "therefore substantially descriptive of characteristics that the goods and services [...] may have". I acknowledge that the opponent's evidence refers to the "curated internet". However, the similarity of "QURATE" with the word "curate" and the weakness of any allusion to the goods and services is not sufficient, in my view, to result in the average consumer perceiving "QURATE" as anything other than an invented word, albeit one which may sound like "curate" when articulated. As an invented word, the earlier mark has a high level of inherent distinctiveness. It will be apparent from my earlier comments that I do not consider the use which has been shown is significant. There is little evidence of any exposure to consumers in the UK; even taking the sales figure of £80,000 at face value, there is nothing to show the territorial distribution of these sales. Even were I to assume that all or most were in the UK, it is an insufficient figure, over the period, to establish that the mark's distinctiveness has been enhanced through use.

Comparison of trade marks

98. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details: *Sabel* (particularly paragraph 23). *Sabel* 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 at paragraph 34 of its judgment in *Bimbo*, that:

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

99. It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to take into account the distinctive and dominant components of the marks. Due weight must be given to any other features which are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are:

Earlier mark	Contested mark
QURATE	QURATE RETAIL GROUP

100. The opponent submits that the marks are highly similar and that "QURATE" is the dominant element of the contested mark. The applicant accepts that "QURATE" is the most distinctive part of the contested mark but submits that the words "RETAIL GROUP"

"will teach the average consumer that this is the mark of a specialist entity that operates in that field" and result in the marks being different.

101. The overall impression of the earlier mark is contained in the single word "QURATE" of which it consists.

102. The contested mark is composed of the three words "QURATE RETAIL GROUP". The words read as a unit and no one word dominates the others though, as the applicant accepts, "QURATE" is plainly the most distinctive of the three, whilst "RETAIL GROUP" suggests an entity concerned with retail.

103. The respective marks coincide in the word "QURATE" at the start of the mark. The words "RETAIL GROUP" in the later mark find no equivalent in the earlier mark. Bearing in mind the positions of the various elements, and their relative distinctiveness, I consider that there is a medium degree of visual similarity.

104. In terms of the aural comparison, notwithstanding the potential for differences between average consumers in their articulation of the word "QURATE", particularly whether the stress will be on the first of second syllables, it will be articulated in an identical fashion in both marks. The words "RETAIL GROUP" are, in my view, likely to be articulated. I consider that this will result in a fairly low degree of aural similarity.

105. I found, above, that the average consumer is likely to perceive "QURATE" as an invented word. As such, it will have no meaning. The words "RETAIL GROUP" therefore provide a point of conceptual difference, as they indicate an entity concerned with retail.

Likelihood of confusion

106. There is no scientific formula for determining whether there is a likelihood of confusion. The factors considered above have a degree of interdependency (*Canon* at [17]). I must make a global assessment of the competing factors (*Sabel* at [22]),

considering the various factors from the perspective of the average consumer and deciding whether the average consumer is likely to be confused. In making my assessment, I must keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik* at [26]). Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, whilst indirect confusion involves the consumer recognising that the marks are different but nevertheless concluding that the later mark is another brand of the earlier mark owner. This difference was explained by lain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, as follows:

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

107. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, James Mellor Q.C., sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

108. The goods and services at issue are identical or similar to a medium degree, they will be selected with a medium level of attention and the purchase will be predominantly visual. The marks are visually similar to a medium degree, have a lesser degree of aural similarity and there is a point of conceptual difference. However, the conceptual difference arises through elements which are weakly distinctive in the context. The similarities between the marks arise because they share the same, highly distinctive element at their start. In the present case, I have no hesitation in finding that there is a likelihood of indirect confusion. Neither the level of attention nor, where applicable, only a medium degree of similarity between the marks are variants used by the same or connected undertakings. There is a likelihood of confusion. For the record, given the element common to both marks, and even concerning those goods and services for which there is only a medium degree of similarity, I would have found that to be the case even if a high level of attention were paid by the consumer.

Section 5(3)

109. Section 5(3) states:

"(3) A trade mark which-

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

110. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, EU:C:1999:408, *General Motors* [1999] ETMR 950; Case 252/07, EU:C:2008:655 *Intel*, [2009] ETMR 13; Case C-408/01, EU:C:2003:582, *Adidas*-

Salomon, [2004] ETMR 10; and C-487/07, EU:C:2009:378, *L'Oreal v Bellure* [2009] ETMR 55; and Case C-323/09, EU:C:2011:604, *Marks and Spencer v Interflora.* The law appears to be as follows:

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

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

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 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/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel,* paragraph 42.

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

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the

earlier mark is registered, or a serious risk that this will happen in future; *Intel,* paragraphs 76 and 77.

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

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

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

111. In *General Motors,* the CJEU considered the assessment of reputation as follows:

"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 trade 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".

112. As the earlier mark is an EUTM, I also keep in mind the guidance of the CJEU in *Pago International GmbH v Tirolmilch registrierte GmbH*, Case C-301/07, EU:C:2009:611, at [20] to [30] and *Burgerista Operations GmbH v Burgista Bros Limited* [2018] EWHC 35 (IPEC) at [69].

113. The test for a reputation is a higher one than for genuine use. It will be apparent from my earlier comments that I do not think that this hurdle has been cleared. Even taken at its height, the opponent's evidence is of £80,000 worth of sales in the EU over 5 years. Advertising spend is small, at only £10,000 over the period 2013 to 2018. These figures are insufficient, in my view, to establish that the earlier mark was known to a significant part of the public concerned, particularly in circumstances where the evidence of customer-facing material is thin. The opposition under s. 5(3) is dismissed.

Passing-off (s. 5(4)(a)) grounds against both applications

114. Section 5(4)(a) states:

"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 of 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".

115. In *Discount Outlet v Feel Good UK,* [2017] EWHC 1400 IPEC, HHJ Clarke, sitting as a Deputy Judge of the High Court stated that:

"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 three 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)".

116. Whether there has been passing off must be judged at a particular point (or points) in time. As the applicant has made no claim to have used either mark, the relevant date is the date of application, i.e. 31 May 2018 in both instances.³⁷

Goodwill

117. The House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL) provided the following guidance regarding goodwill:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start".

118. It is not clear whether an advertising campaign featuring a mark can create a protectable goodwill without any actual sales to UK customers. In *Starbucks (HK) Limited and Another v British Sky Broadcasting Group Plc & Others,* [2015] UKSC 31, Lord Neuberger (with whom the rest of Supreme Court agreed) stated (at paragraph 66 of the judgment) that:

"Finally, a point which I would leave open is that discussed in the judgment of Sundaresh Menon CJ in Staywell (see para 46 above), namely whether a passing off claim can be brought by a claimant who has not yet attracted goodwill in the UK, but has launched a substantial advertising campaign within the UK making it clear that it will imminently be marketing its goods or services in the UK under the mark in question. It may be that such a conclusion would not so much be an exception, as an extension, to the "hard line", in that public advertising with an actual and publicised imminent intention to market, coupled with a reputation thereby established may be sufficient to generate a

³⁷ Advanced Perimeter Systems Limited v Multisys Computers Limited, BL O/410/11 at [43].

protectable goodwill. On any view, the conclusion would involve overruling Maxwell v Hogg, and, if it would be an exception rather than an extension to the "hard line", it would have to be justified by commercial fairness rather than principle. However, it is unnecessary to rule on the point, which, as explained in para 46, has some limited support in this jurisdiction and clear support in Singapore. Modern developments might seem to argue against such an exception (see para 63 above), but it may be said that it would be cheap and easy, particularly for a large competitor, to "spike" a pre-marketing advertising campaign in the age of the internet. It would, I think, be better to decide the point in a case where it arises. Assuming that such an exception exists, I do not consider that the existence of such a limited, pragmatic exception to the "hard line" could begin to justify the major and fundamental departure from the clear, well-established and realistic principles which PCCM's case would involve. In this case, PCCM's plans for extending its service into the UK under the NOW TV mark were apparently pretty well advanced when Sky launched their NOW TV service, but the plans were still not in the public domain, and therefore, even if the exception to the "hard line" is accepted, it would not assist PCCM".

119. It appears to be clear that advertising under a mark is not sufficient to create an actionable goodwill where was no imminent prospect of trade commencing at the time: *Bernadin (Alain) et Cie v Pavilion Properties Ltd* [1967] RPC 581. Pre-launch publicity appears to have been accepted as sufficient to create an actionable goodwill in the cases of *Allen v Brown Watson* [1965] RPC 191 and *BBC v Talbot* [1981] FSR 228, but as explained in paragraph 3-071 of Wadlow's *The Law of Passing Off: Unfair Competition by Misrepresentation* 5th Ed., the plaintiffs in these cases had long established businesses and goodwills in the UK. The real issue was whether their new marks had become distinctive of those businesses to their UK customers through advertising alone. Until the law is clarified, it is therefore doubtful whether a business with no sales to UK customers can establish a passing-off right based solely on advertising.

120. There is no clear evidence of sales in the UK under the sign relied upon. The evidence concerning the invoices at pages 2 to 14 of exhibit TB4 is said to relate to the Bacardi licence, which appears to concern "Qr8", not "QURATE", software. These are the only invoices which Mr Brooke identifies as being to UK companies: the invoices in this exhibit are said to show customers in the UK and the Netherlands but the address details are redacted, so it is impossible to determine whether any of the remaining invoices concern sales to customers in the UK. Mr Brooke is not assisted by his claim to £80,000 of sales, notwithstanding my concerns regarding this evidence, as detailed above: the figure is not broken down and there is no indication of the level of sales which may have been generated in the UK. The email evidence provided similarly offers no assistance: the correspondence concerns attempts to generate business rather than being indicative of business garnered. As the case law above indicates, advertising alone is not sufficient to create an actionable goodwill. Even were that the case, all the indications are that attempts to generate business were on a very small scale and not part of a systematic campaign which would have created any significant level of knowledge among the relevant public. The evidence does not show that the opponent had a protectable goodwill at the relevant date and the claim under s. 5(4)(a) is dismissed accordingly.

Section 3(6) ground against both applications

121. Section 3(6) of the Act states:

"(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith".

122. The law in relation to s. 3(6) of the Act ("bad faith") 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:

"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)".

123. In *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited* and others [2009] RPC 9 (approved by the COA in [2010] RPC 16), Arnold J. stated that:

"189. 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. The applicant may not intend to seek to enforce the trade mark against the third parties and/or may know or believe that the third parties would have a defence to a claim for infringement on one of the bases discussed above. In particular, the applicant may wish to secure exclusivity in the bulk of the Community while knowing that third parties have local rights in certain areas. An applicant who proceeds on the basis explicitly provided for in Article 107 can hardly be said to be abusing the Community trade mark system."

124. The allegation in both notices of opposition is that the applicant's representatives approached Mr Brooke in December 2017 with a proposal to purchase the earlier mark. The notices of opposition state that the applicant's representations were made on the basis that they had conducted clearance searches which had revealed the existence of the earlier mark. Offers to purchase were made but no deal was struck (the notices of opposition quote the applicant as expressing the belief that "while [...] given the differences between the respective parties' marks and goods/services, we do not need Mr Brooke's permission to move forward, we can wait a short while longer to see if a deal can be brought to a conclusion") and the applications were then made. The applicant's desire to disrupt the opponent's activities. Mr Brooke's evidence goes further: he states that the applicant offered to purchase his mark "as they knew that I was using the mark for identical and similar products and services".³⁸

³⁸ Brooke 1, §6.

125. Mr Brooke's evidence that the applicant knew he was using the mark is an unsupported assertion; the initial contact appears to have been on the basis of clearance searches. Even so, it is clear from *Hotel Cipriani* that an application made in the mere knowledge that another party is using a trade mark does not constitute bad faith. In the absence of positive evidence that the applicant knew that the opponent had made genuine use of his mark, I conclude that the applicant's application to have Mr Brooke's trade mark revoked for non-use was no more than a legitimate attempt to clear the way for its applications. It has not been alleged that that the applicant copied Mr Brooke's mark but, in any case, a plausible explanation for the inception of the mark has been provided and not effectively rebutted. In my view, nothing that has been alleged concerning the applicant's conduct is close to amounting to bad faith. The oppositions based upon this ground are dismissed.

Conclusion

126. The opposition against application number 3314613 has failed on all grounds. This application will proceed to registration.

127. The opposition against application number 3314600 has succeeded under s. 5(2)(b) against all goods in class 9, all services in classes 38 and 41 and "interactive retail services provided via computer, television, and digital devices; catalogue and mail order retail services; all of the aforementioned retail services connected with the sale of small home electronics for entertainment purposes, computers and computer accessories". The mark will be refused in relation to these goods and services. Tribunal Practice Notice ("TPN") 1/2011 sets out practice in relation to partial refusals. In this instance, my findings in relation to class 35 can be reflected by a simple exclusion added to the first contested term (i.e. interactive retail services) and deletion of the goods specified in the limitation already in place for the second (catalogue and mail order retail services). The opposition having failed on all of the remaining grounds, the mark will therefore proceed to registration as follows:

- Interactive retail services provided via computer, television, and digital Class 35: devices; none of the aforesaid connected with the sale of small home electronics for entertainment purposes, computers or computer accessories; catalogue and mail order retail services; all of the aforementioned retail services connected with the sale of general merchandise in the fields of fashion, jewellery, beauty, cooking and dining, household utensils for use in kitchens, small home electronics for the kitchen, sport and playthings, clothing, clothing accessories, textiles, household utensils for use in kitchens and bathrooms, cleaning apparatus and cleaning preparations for human use, do-it-yourself articles, namely materials for handicraft, sewing patterns, electric devices for heating, cooking and cleaning, electrical machines and tools being electrically operated handheld tools, cordless handheld tools, hand-operated tools and instruments, all for domestic use, garden requisites, namely garden hoses, watering cans, flower pots, live plants, towels, shovels, pruning shears, garden gloves, garden seats, garden furniture, garden statuary, garden lights, string lights, garden lanterns, gardening tools, plants, jewellery, furniture, decorative goods, namely decorative pillows, decorative boxes, decorative statuettes, picture frames, perfumes and pharmaceuticals, goods for everyday use, namely foodstuffs, wine, foodstuffs, food supplements, medical products, office requisites, works of art, sports equipment, travelling requisites, namely luggage, cosmetic bags (sold empty), toiletry bags (sold empty), passport holders, accessories for motor vehicles.
- <u>Class 36:</u> Providing financial management in the nature of financial control and financial reporting services for others in the field of interactive retail and mail order sales of general merchandise.

<u>Costs</u>

128. Across the two oppositions, the applicant has had more success overall and is entitled to an award of costs, which are sought on the scale (TPN 2/2016 refers). I will reduce the award by 40%, to reflect the overall balance of success. I award costs to the applicant as follows:

Total:	£1,080
Less 40%:	-£720
Preparing for and attending a hearing:	£600
Filing evidence and considering the other party's evidence	£600
Considering the notices of opposition and filing the counterstatements:	£600

129. I order Thomas Brooke to pay Qurate Retail, Inc. the sum of **£1,080**. This sum is to be paid within two months of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 25th day of June 2020

Heather Harrison For the Registrar The Comptroller-General

ANNEXE

UK trade mark application numbers 3314613 and 3314600

<u>Class 9:</u> Downloadable mobile application software in the field of interactive retail and mail order sales of general merchandise.

<u>Class 35:</u> Interactive retail services provided via computer, television, and digital devices; catalogue and mail order retail services, all of the aforementioned retail services connected with the sale of general merchandise in the fields of fashion, jewellery, beauty, cooking and dining, household utensils for use in kitchens, small home electronics for the kitchen and entertainment purposes, sport and leisure*, and playthings, clothing, clothing accessories, textiles, household utensils for use in kitchens and bathrooms, cleaning apparatus and cleaning preparations for human use, do-it-yourself articles, namely materials for handicraft, sewing patterns, electric devices for heating, cooking and cleaning, electrical machines and tools being electrically operated handheld tools, cordless handheld tools, hand-operated tools and instruments, all for domestic use, computers and computer accessories, garden requisites, namely garden hoses, watering cans, flower pots, live plants, towels, shovels, pruning shears, garden gloves, garden seats, garden furniture, garden statuary, garden lights, string lights, garden lanterns, gardening tools, plants, jewellery, furniture, decorative goods, namely decorative pillows, decorative boxes, decorative statuettes, picture frames, perfumes and pharmaceuticals, goods for everyday use, namely foodstuffs, wine, foodstuffs, food supplements, medical products, office requisites, works of art, sports equipment, travelling requisites, namely luggage, cosmetic bags (sold empty), toiletry bags (sold empty), passport holders; accessories for motor vehicles.

* "and leisure" is not included in the specification for UK3314600

<u>Class 36:</u> Providing financial management in the nature of financial control and financial reporting services for others in the field of interactive retail and mail order sales of general merchandise.

<u>Class 38:</u> Audio and video broadcasting services over the Internet; broadcasting of home shopping programs featuring general merchandise; providing on-line chat rooms, interactive forums, and electronic bulletin boards for transmission of messages among users in the field of general merchandise, entertainment and home shopping services; television broadcasting.

<u>Class 41:</u> Entertainment services in the field of interactive retail, namely on-going television programs offering a variety of goods that can be purchased by viewers.

EU trade mark registration 11513348

<u>Class 9:</u> Computer hardware and computer software; computer games software; downloadable software for mobile phones and tablet computers; mobile telephones; mobile data communications and telecommunications apparatus; computer hardware and software for controlling the operation of digital electronic devices and for the reproduction, processing and streaming of audio, video and multimedia content; computer programs for playing games; programs for handheld games; magnetic discs, optical discs, optical magnetic discs, magnetic tapes, ROM cards, ROM cartridges, CD-ROMs, DVD-ROMs and other storage media storing programs; sound, video and data recording and reproducing instruments and apparatus; downloadable computer programs and computer games programs; audio-visual teaching apparatus; electronic books and publications; parts and fittings for all the aforesaid goods.

<u>Class 38:</u> Telecommunication and communication services; electronic transmission of data, messages and information between and among computers, mobile and handheld devices and wired and wireless communication devices; telecommunication services enabling users to transmit messages, multimedia content and other user-generated content via a global computer network and other computer and communications networks; providing online communications links which transfer users to other websites; providing online forums, chat rooms and electronic bulletin boards; providing access to

computer, electronic and online databases; audio, text, video and multimedia broadcasting services over computer and electronic communications networks; providing access to computer databases in the fields of entertainment, social networking, advertising, marketing and promotion; providing telecommunication facilities that enable the creation and updating of personal electronic web pages featuring user-provided content; distribution of electronic information over computer networks, global information networks and wireless networks; providing access to webpages and databases for searching and navigating within information from databases; broadcasting services; provision of access to blogs and forums for transmission of messages; including, but not limited to, all the aforesaid provided by electronic means including the Internet; information, advisory and consultancy services and the preparation of reports, all relating to the aforesaid services.

Class 41: Entertainment services; entertainment services, namely facilitating interactive and multiplayer and single player game services for games played via computer or communication networks; game services provided on-line from a computer network; providing information about online computer games and video games via computer or communication networks; publication of electronic journals and web logs, featuring user generated or specified content; publishing; electronic and online publishing services; electronic desktop publishing; publication of electronic books and journals; publication of books, booklets, brochures, leaflets, magazines, journals, periodical publications, reports, newspapers, newsletters, guides; providing on-line electronic publications (nondownloadable); publication of non-downloadable magazines, periodicals, newsletters, reports, blogs, articles, audio-visual works and multimedia works in the fields of entertainment, social networking, advertising, marketing and promotion by means of a global computer network; arranging and conducting exhibitions, conferences and seminars and networking events for entertainment purposes; entertainment services in the form of television programmes; audio, film, video and television recording services; production of sound and video recordings; photo sharing and video sharing services; information, advisory and consultancy services and the preparation of reports, all relating to the aforesaid services.

Class 42: Computer services, namely, hosting electronic facilities for others for organizing and conducting interactive discussions via the Internet or other communications networks; hosting virtual communities for registered users to organize groups, events, participate in discussions, aggregate information and resources, and engage in social networking; providing a search engine to allow users to preview and download information; providing a web site that enables users to store, organize, track, monitor, and share information; providing search engines for obtaining data via communications networks; operating search engines; provision of customised search engines for others; creating searchable indexes of information, web sites and other information sources; design, creation, hosting and maintenance of internet sites for third parties; hosting the web-sites of others; hosting of digital content online; cross-platform conversion of digital content into other forms of digital content; hosting computer software applications of others; hosting a website featuring non-downloadable software in the fields of entertainment, social networking, advertising, marketing and promotion; providing nondownloadable software enabling users to search, locate and communicate with others via electronic communications networks for entertainment, social networking, advertising, marketing and promotion; hosting online computer databases and online searchable databases in the fields of entertainment, social networking, advertising, marketing and promotion; design and development of computer software; development of computer based networks; computer programming; providing technical information in the field of computer software development; hosting an online website community for registered users to share information and engage in communication and collaboration between and among themselves, to form groups and to engage in professional networking; digital compression of computer data; design and development of software for compression and decompression of multimedia contents; services for the supply of electronic information relating to video hosting in the form of text, audio and/or video; information, advisory and consultancy services and the preparation of reports, all relating to the aforesaid services.