

O/553/21

TRADE MARKS ACT 1994

**IN THE MATTER OF
TRADE MARK APPLICATION NO. 3286686
IN THE NAME OF The Coryn Group II, LLC
FOR THE TRADE MARK:**

NOW

IN CLASS 43

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 000412457
BY NH Hotel Group, S.A**

BACKGROUND AND PLEADINGS

1. On 31 January 2018, The Coryn Group II, LLC (“the applicant”) applied to register the trade mark

NOW

for the following services:

Class 43: *Resort hotels; hotel services; hotel reservation services; providing personalized information about hotels and temporary accommodations for travel via the Internet and phone.*

2. The application was published for opposition purposes on 02 March 2018.

3. The application is opposed by NH Hotel Group, S.A (“the opponent”). The opposition was filed on 10 May 2018 and is based upon Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opposition is directed against all of the services in the application. The opponent relies upon the following marks:

NHOW

EU Registration No. 0039161111¹

EU Registration date: 11 October 2005

Registered in Classes 35, 41 and 43

Relying on the following services only in Class 41 and Class 43 respectively:

Class 41 *Arranging and conducting of congresses and conferences.*

Class 43 *Hotel services; hotel reservations; providing of food and drink; temporary accommodation.*

(“Mark 1”); and

¹ Although the UK has left the EU and the transition period has now expired, EUTMs and International Marks which have designated the EU for protection are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 – please see Tribunal Practice Notice 2/2020 for further information.

nhow

EU Registration No. 012230223

EU Registration date: 12 March 2014

Relying on all services in Class 43, namely:

Services for providing food and drink; Temporary accommodation; accommodation agencies (hotels, boarding-houses); Rental of temporary accommodation; Rental of tents; Rental of transportable buildings; Rental of facilities for meetings, conferences, exhibitions, shows, conventions, seminars, symposiums and training workshops; Rental of chairs, tables, table linen, glassware; Tourist homes; Providing campground facilities; Day-nurseries [crèches]; Hotel services; Motel services; Temporary accommodation reservations; Hotel reservations; Boarding house bookings; Boarding for animals; Retirement homes; Self-service restaurants; Bar services; Snack-bars; Cafés; Cafeterias; Catering; Canteen services.

("Mark 2"); and

Nhow – elevate your stay

EU Registration No. 012249181

EU Registration date: 19 March 2014

Relying on all services in Class 35 and Class 43, namely:

Class 35 *Publicity and sales promotion services; Business management; Business administration; Office functions; Customer loyalty services for commercial, promotional or advertising purposes; Dissemination of advertisements; Marketing services; Organisation of trade fairs and exhibitions for commercial or advertising purposes; Import and export services; Franchises, namely consultancy and assistance in the management, organisation and promotion of business relating to commercial or industrial business management assistance.*

Class 43 *Services for providing food and drink; Temporary accommodation; Providing hotel accommodation; Rental of temporary accommodation; Rental of tents; Rental of transportable buildings; Rental of facilities for meetings, conferences, exhibitions, shows, conventions, seminars, symposiums and training workshops; Rental of chairs, tables, table linen, glassware; Tourist homes; Providing campground facilities; Day-nurseries [crèches]; Hotels; Motels; Room reservation services; Hotel reservations; Boarding house bookings; Animal boarding; Retirement homes; Self-service restaurants; Bar services; Snack bars; Cafeterias; Cafeterias; Catering services for the provision of food; Canteens.*

("Mark 3").

4. The opponent submits that the dominant and distinctive element of the three earlier marks is the element "NHOW" and that the opposed application for "NOW" is visually and phonetically similar to the earlier marks. It further submits that the application covers identical and similar services such that there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier marks. The opponent accordingly requests that the application be refused and an award of costs made in its favour.

5. The applicant filed a counterstatement denying the claims and requests an award of costs made in its favour. It denies that the overall similarity between the contested application and the earlier marks is such to give rise to a likelihood of confusion, including association.

6. Proof of use has been requested by the applicant for all services relied on in relation to the opponent's Mark 1, being EU Trade Mark ("EUTM") no. 003916111.

7. Both parties filed written submissions which will not be summarised, but will be referred to as and where appropriate during this decision. Only the opponent filed evidence which will be summarised to the extent considered necessary. Neither party requested a hearing, therefore this decision is taken following a careful perusal of the papers.

8. In these proceedings, the opponent is represented by Page, White & Farrer Limited and the applicant is represented by Novagraaf UK.

EVIDENCE SUMMARY

9. The opponent filed evidence by way of a witness statement dated 7 February 2020 in the name of Ramon Aragonés, alongside seven exhibits (labelled **Exhibit RA1** to **Exhibit RA7**) accordingly. Mr Aragonés confirms his position as the Chief Executive Officer of NH Hotel Group, S.A., which he has held since 29 June 2017. He further adds that he has been employed by the company since 6 October 1995, which was incorporated on 28 December 1978.

10. Mr Aragonés explains that his company opened its first establishment in Spain, and today the NH Hotel Group, S.A. operates city hotels in Europe and Latin America, and includes various brands i.e. NH Collection, NH hotels, and nhow. He says that the hotels which operate under the NHOW name are located in Berlin, Marseille, London, Amsterdam, Rotterdam and Milan, with further hotels due to be opened in Rome, Hamburg, Brussels and Frankfurt. Mr Aragonés states that the services under the NHOW brand can be purchased via the following websites:

- www.nhow-hotels.com
- www.nhow-milan.com
- www.nhow-berlin.com
- www.nhow-rotterdam.com
- <https://www.nh-hotels.com/London/nhow-London>

11. The following information in relation to turnover for its hotels is taken from paragraph 7 of the witness statement:

7. My Company's approximate turnover (room nights) for hotels in Germany, Italy, the Netherlands and France is set out below:

Hotel Name	2012	2013	2014	2015	2016	2017	2018	TOTAL
Nhow Berlin	70 775	79 322	34 431	75 821	83 028	89 372	88 948	671,703
Nhow Milano	54 251	56 420	30 830	55 420	63 395	64 286	65 032	430,854
Nhow Rotterdam			32 281	49 536	62 042	64 179	67 612	275,650
Nhow Marseille							14 546	14,546
TOTAL RN	125,026	135,748	177,542	190,747	208,465	217,837	237,186	1,292,563

My company's approximate turnover (€) for hotels regarding NHOW Berlin and Nhow Rotterdam is set out below:

TOTAL REVENUE							
HOTEL	2014	2015	2016	2017	2018	2019	
nhow Rotterdam		7,131,760,08 €	9,688,526,57 €	11,539,847,44 €	12,366,261,41 €	13,775,323,86 €	13,474,143,58 €
nhow Berlin		13,575,079,19 €	13,917,445,51 €	13,784,724,21 €	14,443,360,23 €	14,752,896,38 €	14,572,591,93 €

12. In paragraph 8 of the witness statement, Mr Aragonés states that the NHOW mark is promoted through the website, printed publications, exhibitions and trade shows, social media, and the use of search engine optimisation. In paragraph 11, he confirms that the annual EU expenditure for advertising and promotion, in euros, for the year 2018 was €369,847.89, and for the year 2019 it was €421,098.00.

13. **Exhibit RA1** shows excerpts from an investor presentation dated December 2019. The presentation provides an overview of the company structure of the NH Hotel Group and describes the business as being among the top 10 European hotel chains and the top 30 worldwide. The information relates to the NH Hotel Group as part of "MINOR HOTELS", which includes "nh HOTELS", "nh COLLECTION" and "nhow HOTELS", rather than specifically in relation to the NHOW brand.

14. **Exhibit RA2** is a printout dated 13/02/2020 from the nhow hotels website which provides an overview of six "nhow" hotels located in Berlin, Milan, Rotterdam, Marseille, London and Amsterdam respectively. The mark is shown as the plain word "nhow" in lower case and precedes the name of the location of the hotel, for example "nhow Berlin".

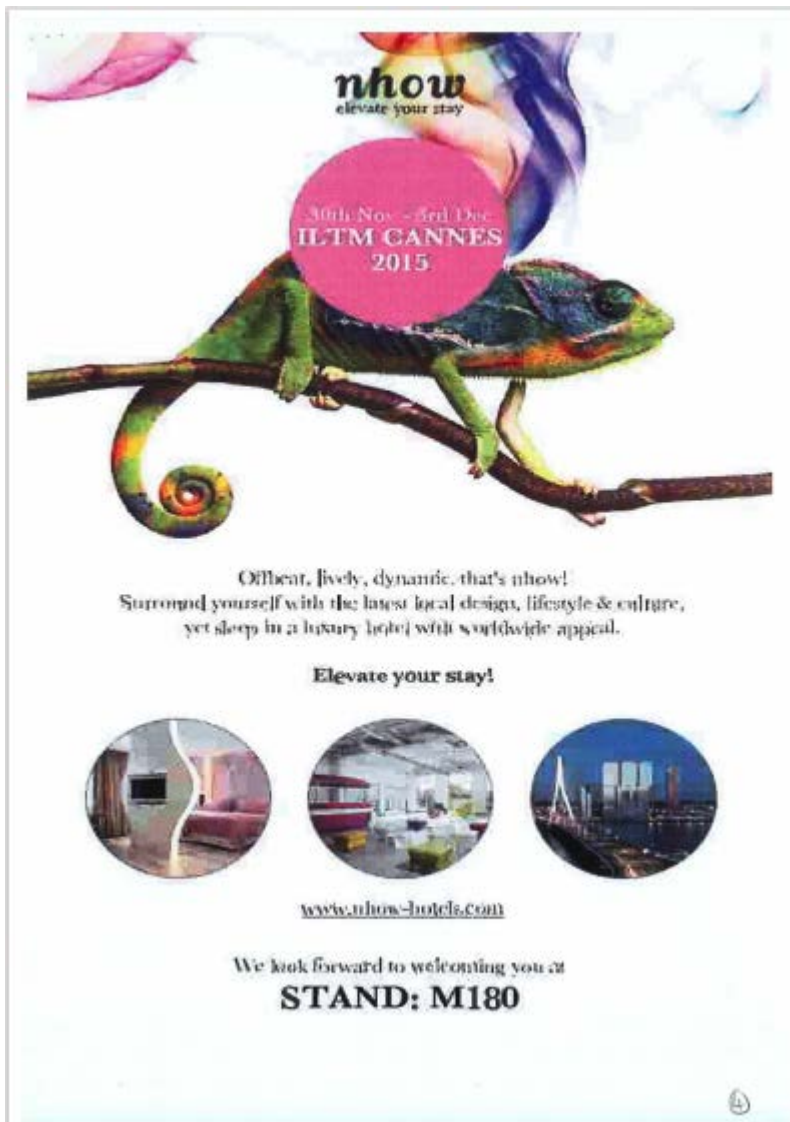
15. **Exhibit RA3** is a printout from the nhow hotels website dated 20/01/2020 and other unnamed sources showcasing the various services and facilities provided at NHOW hotels in Europe, as well introducing the new hotels due to open in 2018 and 2019. The mark is shown in both plain text, presented in lower case on some pages and in capital letters on others, as well as in the stylised form of Mark 2, albeit in white

lettering rather than pink, on various coloured backgrounds. In each case, the mark precedes the name of the location where the hotel is situated.

16. **Exhibit RA4** consists of printouts from www.bolsamadrid.es and the NH Hotels website containing financial information, including the NH Hotel Group's sales and results figures between 2013 – 2017; and a consolidated income statement for the first nine months of the year 2018.

17. **Exhibit RA5** is a collection of advertisements and press articles, some of which include the reach and the PR/advertising value in euros, alongside reviews from a selection of online publications from various sources, including, *inter alia*, The Wall Street Journal, Lonely Planet and Vanity Fair, as well as blogs and social media posts. These printouts are presented in various languages for which separate (uncertified) translations of the pertinent information have been provided. The purpose of the exhibit is to showcase nhow hotels and events, and while some pages are undated, other printouts show dates between 2016 – 2018. The mark is presented on the printouts in various formats, from plain word in both lower case and capital letters, and in the stylised version of Mark 2, presented in various colours. In the majority of cases, the word NHOW, in whichever format, precedes the word hotel, i.e. "nhow hotel", or it is followed by the location of the hotel, e.g. "nhow ROTTERDAM". Also included with Exhibit RA5 is a pen drive containing 6 promotional video clips (source unknown), showcasing the hotels located in Berlin, London and Marseille, including the launch of these hotels. Two of the six clips are dated 2018, one clip is undated, and the remaining clips are dated 2010, 2012 and 2020. One of the clips is predominantly in French and another is in German, one shows the performance of the artist Shaggy singing live at the nhow Berlin hotel, the remaining clips are in English.

18. **Exhibit RA6** show copies of photographs of the NH Hotel Group stand which is described in the witness statement as being at the Fitur international tourism trade fair held in Madrid, which the company attended in 2015 – 2017. The mark is shown in the stylised font of Mark 2, both on its own and followed by the word "HOTELS". Page 4 of the exhibit shows an advertisement for the "nhow" stand at the ILTM Cannes trade fair of 2015, which includes the web address www.nhow-hotels.com:



19. **Exhibit RA7** is a copy of an EUIPO decision dated 20 November 2018, including a translation (uncertified) of that decision in English. The decision is in relation to Opposition No. B 2,788,886 brought by the opponent against EUTM 15227796. Proof of use was requested by the applicant of the contested mark for the opponent's EUTM 003916111. The Opposition Division of the EUIPO found that genuine use had been proven in relation to some of the services covered by the trade mark.

DECISION

20. Although the UK has left the European Union, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in

accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. Therefore, this decision contains references to the trade mark case-law of the European courts.

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

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

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

...”

22. The three trade marks upon which the opponent relies each qualify as an earlier trade mark under the above provisions. As Marks 2 and 3 had not completed the registration procedure more than five years before the date the application was filed, they are not subject to the proof of use provisions contained in section 6A of the Act. The opponent is, therefore, entitled to rely upon them in relation to all of the services indicated without having to prove that genuine use has been made of them.

23. The opponent’s Mark 1 completed the registration process more than five years before the application date of the contested mark, and, as a result, is subject to proof of use provisions. The applicant has required the opponent to provide proof of use of the NHOW mark for all the services on which it relies, as listed under paragraph 3 of this decision.

Proof of Use

24. Proceedings were started on 10 March 2018 and at that time Section 6A of the Act was as follows:

(1) This section applies where –

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

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

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

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

(3) The use conditions are met if –

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

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

(4) For these purposes –

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

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

(5) In relation to a European Union 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 Union.

(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.”

25. Section 100 of the Act states that:

“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”.

26. The relevant period during which genuine use must be shown is the five years ending with the date of publication of the contested mark, which was 02 March 2018. The relevant period is 03 March 2013 to 02 March 2018. As the NHOW mark is an EUTM, the territory in which use must be shown is the EU: see *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, paragraphs 36, 50 and 55.

27. The case law on genuine use was summarised by Arnold J (as he then was) in *Walton International Limited v Verweij Fashion BV* [2018] EWHC 1608 (Ch):

“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 Bunderversammlung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-

9223, Case C-495/07 *Silberquelle 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].”

28. In its written submissions, the applicant notes the witness statement filed by the opponent and the supporting exhibits attached to that witness statement, however, it has made no further comment in relation to the evidence filed to support the proof of use requested. Accordingly, the opponent submits that the proof of use filed by the opponent is therefore unchallenged.² The applicant’s submissions include a comparison of its services with all the services on which the opponent seeks to rely. However, as it has not explicitly accepted that the opponent has proved use, I shall – for the avoidance of doubt – conduct my own assessment.

29. I note that Exhibit RA7 shows the decision by the Opposition Division of the EUIPO in relation to the request for proof of use by the applicant in relation to the opponent’s EUTM 003916111 in an earlier opposition, being the same trade mark on which it relies in this present case, which the opponent submits confirms proof of use.³ Whilst I have reviewed and considered the impact of this decision, I am not bound by the findings of the EUIPO, and I draw my own conclusions based on the evidence with which I have been presented.

30. In *Awareness Limited v Plymouth City Council*, Case 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

² See Paragraph 3 of the opponent’s legal submissions dated 26 May 2021.


³ See Paragraph 9. (viii) of the opponent’s written submissions attached to the email dated 26 May 2021.

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”.

Form of the mark

31. Mark 1 is registered as a plain word mark “NHOW”. The mark is shown in various formats, and mainly in conjunction with either the word “hotel” or followed by the location of the respective hotel. While a lot of the evidence is undated, Exhibit RA5 contains articles dating from the relevant period showing such usage. I recall that use of the mark with, or as part of, another mark would be acceptable providing it is indicative of the origin of the services, as the Court of Justice of the European Union (“CJEU”) stated in *Colloseum Holdings AG v Levi Strauss & Co*, Case C-12/12, paragraphs 32 – 35. In my view, when the mark is followed by the descriptive word “hotel”, or the location of the hotel, it does indicate the origin of the services.

32. While some of the evidence as shown on the exhibits demonstrate use as a word only mark, presented in both upper and lower case, the mark is also shown in a

stylised form in various colours, in the script used in Mark 2 , rather than the word only version which is being put to proof. Examples can be seen in the images from trade shows in Exhibit RA6. However, as per Section 6A(4)(a)⁴, I do not consider that the differences alter the distinctive character of the mark as registered.

⁴ See paragraph 24 of this decision.

33. Where the issue is whether the use of a mark in a different form, rather than with, or as part of, another mark, constitutes genuine use of the mark as registered, the decision of Mr Richard Arnold QC (as he then was), sitting as the Appointed Person, in *Nirvana Trade Mark*, BL O/262/06, is relevant. He said:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

34. In *Dreamersclub Ltd v KTS Group Ltd*, BL O/091/19, on appeal, Mr Philip Johnson, as the Appointed Person, found that the use of the mark shown below qualified as use of the registered word-only mark DREAMS.⁵ This was because the stylisation of the word did not alter the distinctive character of the word mark. Rather, it constituted an expression of the registered word mark in normal and fair use:

The image shows the word "dreams" written in a black, cursive, handwritten-style font. The letters are connected and have a fluid, flowing appearance.

35. In this present case, I consider that the stylisation does not alter the distinctive character of the word mark "NHOW", and I refer to the comments of Mr Iain Purvis QC, sitting as the Appointed Person in *China Construction Bank Corporation v Groupement Des Cartes Bancaires*, Case BL O/281/14, who stated that:

⁵ Paragraphs 12 and 14.

“...It is well established that a ‘word mark’ protects the word itself, not simply the word presented in the particular font or capitalization which appears in the Register of Trade Marks.... A word may therefore be presented in a different way (for example a different font, capitals as opposed to small letters, or handwriting as opposed to print) from that which appears in the Register whilst remaining ‘identical’ to the registered mark.”⁶

Genuine use

36. Whether the use shown is sufficient to constitute genuine use will depend on whether there has been real commercial exploitation of the mark, in the course of trade, sufficient to create or maintain a market for the services at issue in the EU during the relevant five-year period. In making my assessment, I must consider all relevant factors, including:

- the scale and frequency of the use shown;
- the nature of the use shown;
- the services for which use has been shown;
- the nature of those services and the market(s) for them; and
- the geographical extent of the use shown.

37. Unfortunately, a good proportion of the evidence is undated. What can be said is that there were three hotels in major cities in three different Member States during the relevant period. Nhow Berlin and Nhow Milano were in operation during the whole of the relevant period of 03 March 2013 to 02 March 2018, while Nhow Rotterdam received its first guests in 2014. The table showing total room nights for each of these is reproduced in paragraph 11, above.

38. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself. It is possible for an accumulation of evidence to show use, even if

⁶ Paragraph 21.

individual items of evidence would on their own be insufficient proof: see *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, Case T- 415/09, paragraph 53.

39. Case law does not specify particular types of documentation that must be adduced in evidence. When considering the evidence, I am 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”: (see *PLYMOUTH LIFE CENTRE*, BL O/236/13, paragraph 22).

40. I have considered the evidence as a whole. Consequently, I consider that the opponent’s use of “NHOW” during the relevant period to be consistent, and is plainly trade mark use. The nature of the market for hotel services suggests that use was directed towards the whole of the EU, but even if this isn’t the case, Germany, Italy and the Netherlands would represent a significant part of the EU market. The evidence presented in Exhibit RA5 also includes articles written in English, French, Italian, Spanish, Dutch and German, further suggesting the target audience to be throughout the EU⁷.

41. Whilst I am unaware of the size of the hotel sector across the EU, and I do not find it appropriate to guess at its extent, from the evidence provided, it seems clear to me that the opponent’s use is such as to create and maintain a share of this market in the EU. In my view, the turnover and revenue figures, and the examples of marketing materials presented by the opponent that fall within the relevant period, represent genuine use of the trade mark “NHOW” in relation to hotel services.

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

“ 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

⁷ Translations of these articles are included at the end of Exhibit RA5, and while some are undated, many of the articles are dated between 2016 – 2018.

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.”

43. In paragraph 9. (vii) of the opponent’s written submissions, it states that “There is use of the NHOW mark in relation to meetings, events and conference facilities, exhibitions, art galleries, entertainment services, restaurants and bars”, and it draws my attention to examples provided in exhibits RA2, RA3 and RA5, although not all of the evidence provided is dated.

44. Exhibit RA5 shows limited evidence for the provision of food and drink during the relevant period. References can be found to both the provision of bed and breakfast and the NHOW BAR & KITCHEN in Rotterdam, brunch at nhow Berlin, and food offered at the bar at the nhow Milan. However, the evidence is mainly undated or limited to articles dated 2016 and 2018. Figures have not been provided in the way of turnover and revenue, specific to the provision of food and drink. Overall, I consider the evidence to be inadequate in respect of such services.

45. The literature in relation to the hotels located in Berlin, Milan and Rotterdam specifically mention the availability of meeting rooms as part of the facilities on offer, while the printouts in Exhibit RA5 describe “The Loft” at NHOW Rotterdam as the “new state-of-the art meetings & events venue” (undated), and mentions the 3D holographic technology available for use at meetings and events in NHOW Berlin⁸. However, there is not sufficient evidence to show that the opponent actively arranges and conducts congresses and conferences itself, rather than merely hiring out its facilities to third parties. Therefore, I find that the opponent cannot rely on the earlier mark in relation to the services registered in Class 41, although I note that they are included in the comparison table in the applicant’s written submissions.

46. I consider *hotel reservations* to be the act of booking temporary accommodation in the form of a hotel room to third parties, on behalf of others, as opposed to the hotel

⁸ See Press Release dated 26 February 2015, at page 28 of Exhibit RA5.

making reservations for its own facilities. While the service is again included in the comparison table in the applicant's written submissions, in my view, it is not shown in the evidence.

47. In my view, the most that can be seen from the evidence is that Mark 1 is used in relation to hotel services, and the provision of temporary accommodation.⁹ Consequently, I find that the opponent may rely on the following services in Class 43 only:

"Hotel services; temporary accommodation".

Section 5(2)(b)

48. The opposition is based upon Section 5(2)(b) of the Act, which reads as follows:

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

...

(a) 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".

49. I am guided by the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v Office for Harmonisation in the*

⁹ I note that Services for providing food and drink, and for Hotel reservations are covered by earlier Mark 2, which the opponent may rely on in its entirety.

Internal Market (Trade Marks and Designs) (OHIM), Case C-3/03, Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH, Case C-120/04, Shaker di L. Laudato & C. Sas v OHIM, Case C-334/05P and Bimbo SA v OHIM, Case C-591/12P:

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

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

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

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

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

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

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

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

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

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

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

Comparison of services

50. In *Canon*, Case C-39/97, the CJEU stated that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.¹⁰

51. Guidance on this issue has also come from Jacob J. (as he then was) in 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;

¹⁰ Paragraph 23

- (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.”

52. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (“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”.¹¹

53. The services to be compared are:

Opponent’s services	Applicant’s services
<p>Mark 1: <u>Class 43</u> <i>Hotel services; temporary accommodation.</i></p>	<p><u>Class 43</u> <i>Resort hotels; hotel services; hotel reservation services; providing personalized information about hotels and</i></p>

¹¹ Paragraph 82

Mark 2:

Class 43

Services for providing food and drink; Temporary accommodation; accommodation agencies (hotels, boarding-houses); Rental of temporary accommodation; Rental of tents; Rental of transportable buildings; Rental of facilities for meetings, conferences, exhibitions, shows, conventions, seminars, symposiums and training workshops; Rental of chairs, tables, table linen, glassware; Tourist homes; Providing campground facilities; Day-nurseries [crèches]; Hotel services; Motel services; Temporary accommodation reservations; Hotel reservations; Boarding house bookings; Boarding for animals; Retirement homes; Self-service restaurants; Bar services; Snack-bars; Cafés; Cafeterias; Catering; Canteen services.

temporary accommodations for travel via the Internet and phone.

Mark 3:

Class 35

Publicity and sales promotion services; Business management; Business administration; Office functions; Customer loyalty services for commercial, promotional or advertising purposes; Dissemination of advertisements; Marketing services; Organisation of trade fairs and exhibitions for commercial or advertising purposes; Import and export services; Franchises, namely consultancy and assistance in the management, organisation and promotion of business

<p><i>relating to commercial or industrial business management assistance.</i></p> <p><u>Class 43</u></p> <p><i>Services for providing food and drink; Temporary accommodation; Providing hotel accommodation; Rental of temporary accommodation; Rental of tents; Rental of transportable buildings; Rental of facilities for meetings, conferences, exhibitions, shows, conventions, seminars, symposiums and training workshops; Rental of chairs, tables, table linen, glassware; Tourist homes; Providing campground facilities; Day-nurseries [crèches]; Hotels; Motels; Room reservation services; Hotel reservations; Boarding house bookings; Animal boarding; Retirement homes; Self-service restaurants; Bar services; Snack bars; Cafeterias; Cafeterias; Catering services for the provision of food; Canteens.</i></p>	
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54. For the purposes of considering the issue of similarity of services, it is permissible to consider groups of terms collectively where appropriate. In *Separode Trade Mark*, BL O-399-10, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, said:

“The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision.”¹²

55. In *Gérard Meric v OHIM*, Case T-133/05, the GC stated that:

¹² Paragraph 5

“In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM - Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.¹³

56. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

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

57. In its written submissions, the applicant admits that there is a degree of identity and similarity between its “*Resort hotels; hotel services; hotel reservation services*” in Class 43 and those covered by Class 43 of the earlier marks. It submits that “*providing personalized information about hotels and temporary accommodations for travel via the Internet and phone*” has a much lower degree of similarity with the services covered by the earlier marks, and that this types of service is not usually offered by the same entity as those offering the services covered by the earlier marks.

58. The opponent has not stated whether it believes any of the marks represents a better case. I will therefore compare the applicant’s services with the opponent’s services as I see fit, starting with the opponent’s Mark 1.

Mark 1

59. “*Resort hotels; hotel services*” - “*hotel services*” are identical to “*Hotel services*” while “*Resort hotels*” are encompassed within the broader category “*Hotel services*” and so are *Meric* identical.

¹³ Paragraph 29

60. *“Hotel reservation services”*. While hotels are likely to make their own reservations, and as such this may be considered to form part of *“Hotel services”* at large, I bear in mind the guidance of *Avnet* regarding the scrutiny of specifications relating to services. As such, I do not consider it to be at the core of the services being provided under the broad term. While consumers may contact the hotel directly to reserve a room, it is increasingly common to use third party websites for the reservation of hotel rooms. Even though there would be an overlap between the end users of both services, the average consumer would not automatically expect them to come from the same or economically linked undertakings. I find that *“Hotel reservation services”* are similar to a low to medium degree to *“Hotel services”*.

61. *“Providing personalized information about hotels and temporary accommodations for travel via the Internet and phone”*. It is my view that most hotels will provide their own promotional information in relation to the accommodation on offer, and as such, *“Providing personalized information about hotels and temporary accommodations for travel via the Internet and phone”* may be perceived as being part of the *“Hotel services”* provided by the opponent. However, I agree with the applicant that the services are not identical, and I again defer to *Avnet*. In my view, the provision of such information would not be seen as a fundamental function of hotel services at large: the consumer may choose to access information relating to various unrelated hotels from which to make their choice as to where to stay, via third parties’ comparison websites, rather than being limited to those hotels which belong to one particular undertaking. The channels of trade will be similar with an overlap in end-users. Consequently, I consider there to be a low to medium degree of similarity between the respective services.

Marks 2 and 3

62. As I found for Mark 1, the applicant’s *“hotel services”* are identical to *“Hotel services”*, while its *“Resort hotels”* are encompassed within the broader category *“Hotel services”* (Mark 2) and *“Hotels”* (Mark 3), and so are *Meric* identical.

63. I find that *“hotel reservation services”* are self evidently identical to the opponent’s *“Hotel reservations”*.

64. For the same reasons as given under paragraph 61 in relation to Mark 1, I find that that the applicant's "*providing personalized information about hotels and temporary accommodations for travel via the Internet and phone*" to be similar to at a low to medium degree to the "*Hotel services*" of the opponent's Mark 2 and "*Hotels*" of Mark 3.

The average consumer and the nature of the purchasing act

65. 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. (as he was then) described the average consumer in these terms:

"The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The word "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median".¹⁴

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

67. In its written submissions, the opponent submits that the services in question are directed at the general public. They further submit that both visual and aural perceptions are relevant, and that the degree of attention is average.

68. In my view, the majority of the parties' services are aimed at the general public, who may utilise the services for either business purposes or for leisure. I agree with the applicant that they will constitute primarily visual purchases, for example, through

¹⁴ Paragraph 60

consulting websites and hotel brochures, although I bear in mind that there may also be a level of aural perception of the marks if they are the subject of oral recommendation.¹⁵ There is likely to be a reasonable level of attention during the selection process, as consumers will choose the services in relation to the location of the hotel and the facilities that are being offered, as well as taking into consideration the budget available to them. The level of attention paid will be commensurate with the standard and cost of the hotel, and particularly in relation to the occasion for which the services are being engaged, for example, by business customers for either individual or block bookings, or for leisure purposes such as a city break or luxury holiday. The level of attention will therefore vary, although overall it will, in my view, be higher than average, although not at the highest level.

Comparison of marks

69. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo SA v OHIM* Case C-591/12P, 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.”¹⁶

70. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks

¹⁵ See the applicant's written submissions dated 1 April 2021, paragraph 10.

¹⁶ Paragraph 34

and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

71. The respective trade marks are shown below:

Opponent's trade marks	Applicant's trade mark
Mark 1: <p style="text-align: center;">NHOW</p>	<p>NOW</p>
Mark 2: <p style="text-align: center;"><i>nhow</i></p>	
Mark 3: <p style="text-align: center;">Nhow – elevate your stay</p>	

72. The opponent submits that Marks 1 and 2 are similar in length, with the same beginnings and the same endings, as the contested mark, and that the letter “H” in the earlier marks is likely to be overlooked by consumers, due to its position in the middle of the marks. It considers that the marks are visually similar to a high degree. It further submits that the marks are phonetically similar to a high degree, or phonetically identical for the part of the public that does not pronounce the letter “H”; and, that as one of the marks has no meaning, the conceptual comparison is neutral therefore there is no basis on which to consider a conceptual assessment of the marks. In relation to Mark 3, the opponent claims that consumers would disregard the promotional slogan “elevate your stay” and would perceive the mark as “NHOW”.

73. The applicant submits that in the case of word marks that are relatively short, even if two marks differ by no more than a single consonant, it cannot be found that there is a high degree of visual similarity between them, and it further submits that in this

case, the marks share at most a low level of similarity.¹⁷ In relation to the aural comparison of the marks, the applicant submits that the marks can also be differentiated phonetically, and that the marks are dissimilar from a conceptual perspective.

Overall impression

74. The applicant's mark consists of the plain word "NOW", presented in capital letters in a standard font without any other elements to contribute to the overall impression. The overall impression conveyed by the mark therefore rests in the word itself.

75. Mark 1 consists of the plain word "NHOW", presented in capital letters in a standard font without any other elements to contribute to the overall impression. The overall impression conveyed by the mark therefore rests in the word itself.

76. Mark 2 consists of the word "nhow" presented in the colour pink in what resembles a handwritten font, all in lower case. While the font and colour make some visual impact, this does not detract from the dominance of the word itself.

77. Mark 3 comprises a number of components. The word "Nhow" is positioned at the beginning of the mark, followed by a hyphen and the words "elevate your stay". The mark is presented in the same type and size, in a single continuous line. In my view, the word "Nhow" makes the greatest contribution to the overall impression, with the phrase which follows it likely to be perceived as a strapline, and as such, making a much lesser contribution to the overall impression.

Visual comparison

78. The respective length of the parties' signs can have a significant impact on whether they are visually similar. Where the signs are short, differences are more likely to be

¹⁷ See paragraph 15 -16 of applicant's written submissions dated 1 April 2021. This proposition, derived from the decision of the GC in Case T-112/06 *Inter-Ikea Systems BV vs OHIM*, has been criticised by Mr Iain Purvis QC, sitting as the Appointed Person in *ELLA Trade Mark* BL O/227/12, paragraphs 17-18.

noticed. In Case T-274/09 *Deutsche Bahn AG v OHIM* EU:T:2011:451, where the signs at issue consisted of three characters, the first two of which were common to both and appeared in the same position and order, the GC noted that the significance of any differences would be heightened by the brevity of the marks. However, they found that those differences were not such that those signs may be regarded as being entirely dissimilar.¹⁸ The applicant's mark contains three letters, N O W, while Mark 1 of the opponent contains four letters, N H O W, three of which share commonality with the contested mark, in the same order, but with the additional letter H positioned between the N and the O. Due to the short length of the word, the additional letter is unlikely to go unnoticed or be overlooked by the average consumer, resulting in what I consider to be no more than a medium degree of visual similarity between the marks.

79. The opponent's Mark 2 is as described above for Mark 1, but is presented in the colour pink in a stylised font, which I find to be visually similar to the contested mark to a low to medium degree.

80. Mark 3 contains the same four letters N H O W followed by the words " - elevate your stay" as previously described, for which I find there to be a low to medium degree of visual similarity with the contested mark.

Aural comparison

81. In my view, while the contested mark would be pronounced as one syllable "naʊ", Marks 1 and 2 may be pronounced either identically to the applicant's mark, or alternatively, as the letter "N" followed by the word "how" – pronounced "en-haʊ". To those consumers who do not pronounce the letter "H", the marks will be aurally identical, while to those who break the mark into two syllables, "en-haʊ", the competing marks will be aurally similar to no more than a medium degree.

82. For Mark 3, some consumers will only voice the first word "nhow", pronounced as either "naʊ" or "en-haʊ", and to those consumers, the contested marks will be either aurally identical, or similar to no more than a medium degree, respectively. However,

¹⁸ Paragraph 78.

although the hyphen would not be articulated, other consumers will voice the sign in its entirety, as either “now (“naʊ”) elevate your stay” or “N-how (“en-haʊ”) elevate your stay”. In whichever way the first word is pronounced by these consumers, to my mind there is only a low degree of aural similarity between the competing marks.

Conceptual comparison

83. The sign “NOW” in the applicant’s mark is a dictionary defined word which would be easily understood by the average consumer of the services as referring to the present moment of time. A proportion of consumers may see the word “NHOW” in the earlier marks as an unusual misspelling of the word “NOW”, and to those consumers the marks will be conceptually identical. In my view, it is more likely that the average consumer would assume “NHOW” to be an invented word with no conceptual identity. As the word “NOW” has a clear and specific meaning, I find there to be no conceptual similarity between the contested marks.

Distinctive character of the earlier marks

84. The distinctive character of a trade mark can be appraised only, first, by reference to the goods 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.

85. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 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 *WindsurfingChiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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

86. The opponent submits that the word "NHOW" is neither allusive nor descriptive for the services, and that it is an invented word which has a medium to high degree of inherent distinctiveness.

87. Mark 1 consists solely of the word "NHOW" in plain font, while Mark 2 enjoys a degree of stylisation as previously described, which, as mentioned earlier in this decision, I do not consider affects the distinctive character of the sign. Invented words usually have the highest degree of distinctive character, while words which are descriptive of the goods and/or services relied upon typically have the lowest degree.

88. I do not consider "NHOW" to be a common misspelling of the word "NOW", however, I acknowledge that there may be some consumers who perceive the mark in this way, and to those consumers, it is distinctive to a medium degree. In my view, it more likely that a significant proportion of consumers will see "NHOW" as an invented word, which I do not consider to be either descriptive or allusive of the services. Consequently, I find that Marks 1 and 2 are highly distinctive.

89. To my mind, the addition of the strapline "- elevate your stay" in Mark 3 alludes to an upgrade in the facilities being offered under the "NHOW" brand, with the word "stay" descriptive of the time the consumer spends experiencing those facilities. As such, I find Mark 3 to be distinctive to a medium degree.

Likelihood of confusion

90. There is no simple formula for determining whether there is a likelihood of confusion. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind.

91. It is clear then that I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa (*Canon* at [17]). In making my assessment, I must consider the various factors from the perspective of the average consumer, bearing 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]).

92. There are two types of possible confusion: direct, where the average consumer mistakes one mark for the other, or indirect, where the average consumer realises the marks are not the same but puts the similarity that exists between the marks/services down to the responsible undertakings being the same or related. The distinction between these was explained by Mr Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v Back Beat Inc*, Case BL-O/375/10. He said:

“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.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

93. The above are examples only which are intended to be illustrative of the general approach. These examples are not exhaustive but provide helpful focus.

94. Earlier in this decision, I found that:

- The level of attention of the average consumer, being a member of the general public, will range between a reasonable level to a high level of attention when selecting the services, dependent on the location, the facilities available, the standard of the services chosen, the cost, and the occasion;
- The services will be selected by primarily visual means, although I do not discount aural considerations;

- Mark 1 is visually similar to the applicant's mark to no more than a medium degree due to the brevity of the signs, while Marks 2 and 3 are visually similar to between a low to medium degree;
- Marks 1 and 2 are aurally identical to the contested mark where the letter "H" is not articulated, and similar to no more than a medium degree where they are pronounced as two syllables, while Mark 3 is aurally similar to a low degree in cases where the mark is voiced in full;
- Where the word "NHOW" in the earlier marks is seen as an unusual misspelling of "NOW", the competing marks are conceptually identical, however, where "NHOW" is seen as an invented word, there is no conceptual similarity;
- The earlier marks are inherently distinctive to a high degree where "NHOW" is perceived to be an invented word, and distinctive to a medium degree where seen as a misspelling;
- All the contested services are either identical or similar to at least a low degree to those of the opponent.

95. While I accept it is not always the case, conceptual differences may counteract visual and aural similarities. In *The Picasso Estate v OHIM*, Case C-361/04 P, the CJEU found that:

"20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the Court of First Instance did not in any way err in law."

96. Taking into account the guidance of Mr Iain Purvis Q.C. on likelihood of confusion, while allowing that the average consumer is unlikely to see the marks side-by-side and

will therefore be reliant on the imperfect picture of them they have kept in their mind, I consider it unlikely that they would mistake one mark for the other. In my view, considering the brevity of the marks, as per *Deutsche Bahn*, the average consumer will notice the visual differences between them, as well as noting that the applicant's mark is a dictionary defined word with a clear concept, while the earlier marks when viewed as an invented word hold no conceptual identity. Notwithstanding the high degree of distinctive character of the earlier Marks 1 and 2, or the identical and similar services, I therefore find that there is no likelihood of direct confusion.

97. Having found no likelihood of direct confusion between the marks, I will now consider whether there might be a likelihood of indirect confusion. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C. (as he then was), 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.

98. Keeping in mind the global assessment of the competing factors in my decision, it is my view that although the contested mark contains the same 3 letters, in the same order as in the word "NHOW" in the earlier marks, which may bring them to mind, it is unlikely that a significant proportion of average consumers would isolate the word "NOW" within those marks. I acknowledge that the categories listed by Mr Iain Purvis Q.C. in *L.A. Sugar* are not exhaustive, but I do not see anything which would lead the average consumer into believing that one mark is a brand extension of the other or assume that there is an economic connection between the parties. I find that there is no likelihood of indirect confusion.

99. The opposition under section 5(2)(b) fails.

Conclusion

100. The opposition has failed. Subject to any successful appeal, the application by The Coryn Group II, LLC may proceed to registration.

Costs

101. The applicant has been successful, and is therefore entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice (“TPN”) 2/2016. Applying the guidance in that TPN, I award the The Coryn Group II, LLC the sum of £900, which is calculated as follows:

Considering the notice of opposition and preparing a counterstatement:	£300
Considering and commenting on the opponent’s evidence:	£600
Total:	£900

102. I therefore order NH Hotel Group, S.A to pay The Coryn Group II, LLC the sum of £900. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 23rd day of July 2021

Suzanne Hitchings
For the Registrar,
the Comptroller-General