

O-007-14

TRADE MARKS ACT 1994

**IN THE MATTER OF THE APPLICATION BY THOMPSON HOTELS LLC
UNDER NO 2623568 FOR THE TRADE MARK**



AND

**IN THE MATTER OF OPPOSITION NO. 104008 THERETO
BY TUI TRAVEL AMBER E&W LLP**

THE BACKGROUND AND THE PLEADINGS

1) On 08 June 2012 Thompson Hotels LLC (“the Applicant”) filed application no. 2623568 to register the following mark for the following goods in class 43:



Class 43: Hotel services; restaurant and bar services; services for providing food and drink; rental of temporary accommodation.

The application was published in the Trade Marks Journal on 21 September 2012.

2) TUI Travel Amber E&W LLP (“the Opponent”) opposes the registration of Mr Armani’s mark on grounds under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Mark Act 1994 (“the Act”).

For the purposes of its claims under section 5(2)(b) the Opponent relies on the following trade marks for the following respective goods:

UK trade mark registration no. **1288928**, filed on 1 October 1986 and registered on 21 June 1991:

THOMSON

Class 38: Rental of access time for computers.

Class 39: Arranging and booking of holidays, travel, tours and of cruises; escorting of travellers; providing tourist office services; all included in Class 39.

Class 41: Provision of facilities for recreation; arranging courses of instruction for tourists; all included in Class 41.

Class 43: Agency services for booking of accommodation for travellers; provision of meals for travellers; provision of day nurseries for children.

UK trade mark registration no. **1288935**, filed on 01 October 1986 and registered on 10 April 1992:

THOMSON HOLIDAYS

Class 38: Rental of access time to computers; all relating to travellers.

Class 39: Arranging and booking of holidays, travel, tours and of cruises; escorting of travellers; providing tourist office services; all included in Class 39.

Class 41: Provision of facilities for recreation; arranging courses of instruction for tourists; all included in Class 41.

Class 43: Agency services for the booking of accommodation for travellers; provision of meal for day nurseries for children; holidays.

Community Trade Mark ("CTM") no. **3613221**, filed on 15 January 2004 and registered on 05 March 2010:

THOMSON

Class 16: Cardboard; photographs; plastic bags; plastic materials for packaging (not included in other classes), clipboards.

Class 25: Clothing, footwear and headgear.

Class 37: Maintenance and repair of aircraft.

Class 39: Arranging and booking of holidays, travel, tours, cruises, and vehicle hire; escorting of travellers; arranging and booking of seats for travel; providing tourist office services; travel agency services; air transport; transport of passengers and goods by road, rail or air; baggage handling; portorage; unloading cargo; crating of goods; freight forwarding; storage, rental of storage containers.

Class 43: Arranging and/or providing accommodation for travellers; arranging and/or providing meals for travellers; arranging and/or providing day nurseries; arranging and/or providing hotel reservation services; arranging and/or providing rental of temporary accommodation; arranging and/or providing restaurant, bar and catering services; reservation services for booking meals.

I note that in the Opponent's submissions, and in the witness statement of Jeremy Ellis filed for the Opponent, reference is made to a CTM registration no. 7361851 owned by the Opponent. However, this mark was not included in the Opponent's statement of grounds, nor did the Opponent apply to amend its statement of grounds to enable it to rely on this mark. Accordingly, I have taken no account of it.

3) For the purposes of its claim under section 5(3) the Opponent relies on UK trade mark registration no. 1288928 for the mark and services as shown above.

4) All the above marks constitute “earlier trade marks” for the purposes of sections 5(2)(b) and 5(3). The registration process for the Opponent’s UK registration nos. 1288928 and 1288935 was completed more than five years before the publication date of the opposed application no. 2623568. The proof of use provisions in section 6A of the Act therefore apply in respect of both these marks, and for both of them the Applicant put the Opponent to proof of use in relation to all the services on which the opposition is based, with the exception of *booking of foreign travel package holidays with accommodation provided by third parties*.

5) For the purposes of its claim under section 5(4)(a) the Opponent relies on claimed goodwill in the sign THOMSON in connection with services corresponding to some of the services of its registrations above.

6) The Applicant filed a counterstatement, denying the grounds of opposition. In different wording from that used when it requested proof of use, it admits that the Opponent’s marks are used in relation to *booking of travel packages* but does not admit any other use of the marks. Both sides filed evidence and written submissions. Neither side requested a hearing. I therefore give this decision after a careful review of all the papers before me.

THE EVIDENCE

The Opponent’s evidence

7) In a witness statement of 18 March 2013 Mr Jeremy Ellis states that he is Marketing Director of TUI UK Limited (“TUI”), TUI being the exclusive licensee of the Opponent for the trade marks relied on by the Opponent in these proceedings. He states that Thomson was established as an independent holiday company in the UK in 1965 and has been known as a market leader for over 40 years, and that the THOMSON name has been used throughout the company’s history, the brand now being part of the TUI Group. He describes TUI’s principal UK business as travel agency and the arrangement of package holidays and hotel accommodation, i.e. the business of tour operating and the sale of holidays arranged both by itself and by other third party tour operators. He explains that by “package holidays” he means a pre-arranged combination of transport, accommodation and other ancillary services including recreation services, information for travellers, travel insurance, car hire and entertainment, covering a period of more than 24 hours and sold for an inclusive price. He gives TUI’s UK sales of package holidays at circa 5.3 million a year, of which 3.3 million are sold under the umbrella brand name of THOMSON. He cites *GFK Accent* as the source for the statement that TUI accounts for approximately 30% of the total package holiday market in 2011. He says that TUI further operates a wide range of THOMSON holiday and travel services offering a broad spectrum of options, including packages, self-packaging, tailor-made holidays and hotel accommodation or flight only bookings, and that the THOMSON mark is becoming increasingly well-known for these additional holiday services.

8) Mr Ellis states that Hitwise, a company which tracks website visits, has recently reported that the THOMSON website (www.thomson.co.uk) was the most visited travel website (on the basis of the number of times a page is viewed) in the UK in 2011. **Exhibit JE1** consists of a Hitwise report headed “Most Popular Websites in Travel – Agencies ranked by Visits Share – Month of January 2011”. Thomson appears at no 1 with a visits share of 7.81%. “Thomson” is given rankings of 3, 3 and 2 for December, November and October respectively. **Exhibit JE2** consists of copies of reports from the research company Mintel. The first of these, entitled “Package vs Independent Holidays – UK, May 2011”, reports: “Claiming a 35% share of the European package holiday market, TUI sells its products through more than 300 First Choice outlets and 650 Thomson stores in the UK, as well as via independent shops and growing online distribution”; “In 2009 First Choice spent over £4 million on advertising and marketing activities in the UK, whilst Thomson spent around £11 million. In 2010, First Choice spent around £6 million and Thomson spent over £11 million. TV promotions accounted for the biggest share of adspend”.

9) The second report, “Package Holidays, Leisure Intelligence July 2010”, contains passages which:

- show TUI UK Ltd as having 5,136,304 passengers in 2009/10 – 35.2% of passengers licensed for the top 20 UK tour operators;
- state that “TUI Travel, the biggest tour operator in Europe and the UK by revenue, offers packaged holidays primarily through its two flagship brands, Thomson Holidays and First Choice Holidays”;
- and report “In 2009, advertising expenditure was approximately £15 million. Thomson accounted for over two thirds of spend, followed by First Choice. TV commercials and press ads were the preferred medium for promotion”.

The report uses figures from a survey conducted in January 2010 “using a GB sample of 2,024 internet users aged 16+”, to examine brand image. It includes, for example, the following comments:

- “This is a hotly contested market where brand image has huge importance – the biggest mass-market brands with solidly integrated on- and offline presence (Thomson and Thomas Cook) are by far the best all-rounders with the biggest brand affection”.
- (Speaking of Thomson): “One of the longest established tour operators in the UK market and correspondingly one of the best known – 99% have heard of it and almost two in three have used it (as with Thomas Cook)”.

10) The quality of the prints in **Exhibit JE3** is so poor that in many cases crucial elements, including dates and/or use of the Opponent’s marks, are difficult or impossible to discern. However, most are sufficiently legible to show that they consist of examples, from 2008 to 2011, of online advertisements, of copy for advertisements in UK newspapers (including prominent national dailies such as the *Sun*, the *Times* and the *Daily Telegraph*), and of targeted mail-shots, all promoting the Opponent’s package holidays and travel services under the THOMSON mark.

Exhibit JE7 consists of copies of cover and contents pages of various brochures for holidays and cruises under the THOMSON mark from 2005 to 2009.

11) I should also note that the Opponent appended to its separate written submissions a video disc recording of recent television commercials of the Opponent, an article from the Mail Online discussing a TV commercial of the Opponent from 2011, screen shots from You Tube of some advertisements dating back to 1993, and a list of Google search results for “Thomson Hotel” (the search term shown, however, being without the quotation marks). These items were not filed in the correct evidential form. If I had felt that taking these items into consideration would have affected the outcome of my decision, I would have considered asking the Opponent whether it wished to apply for leave to file them as additional evidence. In practice, however, I do not consider that anything turns on them. I have disregarded them in reaching my decision. The transmissions of the commercials on the video disc in any case post-date the filing date of the application in suit, and the Applicant submitted evidence of Google search results for “Thomson Hotel” (with quotation marks) to negate the inference the Opponent had invited me to draw from its own search results.

12) It is regrettable that no examples of actual TV commercials have been properly put in evidence. However, I think it is clear from the material in the Mintel reports (quoted in paragraphs 8 and 9) that the Opponent had been undertaking substantial television advertising for some years before the relevant date, that advertising under the THOMSON mark accounted for a substantial proportion of its advertising spend, and that the fact and manner of its promotion and advertisement of its holidays under the mark THOMSON is amply demonstrated in the examples of its advertisements and brochures in **Exhibits JE3 and JE7**.

The Applicant’s evidence

13) When filing its counterstatement the Applicant attached various documents to the Form TM8. It was advised that documents which it wished the hearing officer to consider would need to be placed in evidential format and filed at the proper time.

14) In a witness statement of 24 May 2013 Mr Jason Pomeranc states that he is a co-founder of the Applicant, which was established in 2001, and that it is wholly owned by Commune Hotels and Resorts, LLC, of which Mr Pomeranc is Co-Chairman. He states that the Applicant is an American hospitality company that, among other things, owns and manages luxury hotels, using the “Thompson Hotels” name and brand in connection with a chain of “upmarket luxury boutique hotels”. **Exhibit TH1** consists of a print-out from the Applicant’s website, showing a list of the current hotel locations, including five in New York, two in Los Angeles (Hollywood and Beverly Hills), and one each in Miami Beach, Toronto and London. Mr Pomeranc makes the following further statements:

- The Belgraves Hotel in London opened in early February 2012 as a joint venture with Harilela Hotels (UK) Ltd, which owns the Belgraves name.
- Room prices range from approximately £260 to over £2,000, the hotel receiving an average of 1,688 bookings per month.

- Bookings are made through the Thompson Hotels website, direct contact with the hotel, or through selected third-party booking sites.
- The name BELGRAVES, A THOMPSON HOTEL has been used in the UK via the Applicant's website since as early as 2011. The launch of the London hotel received widespread publicity since as early as 2010.

Exhibit TH2 contains examples of hotel stationery bearing the mark in suit and, in two cases, the words THOMPSON HOTELS beneath a small device. **Exhibit TH3** contains print and online reviews of the London hotel following its opening, from sources including *Esquire*, *Red*, *Vanity Fair*, *The Guardian* and *The Independent*. These refer variously to the opening of *Belgraves* or the *Belgraves Hotel* by *Thompson Hotels* or the *Thompson Group*. There are also some references to the *Thompson Belgraves* or *Thompson's Belgraves Hotel*.

15) In a witness statement of 24 May 2013 Mr Roland Arthur Stuart Mallinson states that he is a solicitor and partner of Taylor Wessing LLP, the attorneys acting on behalf of the Applicant. Mr Mallinson appends as **Exhibit RASM1** a print-out from the Opponent's website at www.thomson.uk. Extensive use of the THOMSON brand is made on this page, which contains links under headings including holidays, hotels, destinations, flights and extras such as car hire and excursions. **Exhibit RASM2** comprises further print-outs from this website, with links to "Hotels and apartment deals" and "Villa only deals", and text including "Why book with Thomson? Thousands of hotels, apartments and villas worldwide. Hand picked properties ... our selection of hotels caters for all tastes". Details of individual hotels and the services they provide are given under the hotels' own names; this is also the case in the Opponent's 2013-2014 "Turkey and Bulgaria" brochure, which is appended as **Exhibit RASM3**. Mr Mallinson emphasises that the hotels' own names are given – as, for example, the "Hotel Karbel" rather than the "Thomson Hotel Karbel". The words "In the UK this holiday is available only from the THOMSON Group" appear under each hotel's name, and Mr Mallinson points out that there is no mention of the *hotel* only being available via the Thomson Group. In **Exhibit RASM4** he appends print-outs from the Hotel Karbel's own website to show that the hotel can in fact be booked direct via its website by any member of the public. The Applicant seeks to emphasise that the relevant consumer is accustomed to seeing luxury hotels branded in the way depicted in the opposed mark. To illustrate this Mr Mallinson includes in **Exhibit RASM6** extracts from the websites of brands such as the Ritz, the Langham, and Four Seasons. He observes that none of the hotels offered in the Opponent's holiday packages are branded in such a way. Unfortunately, the quality of the prints make it difficult to follow the comparison with the opposed mark. **Exhibit RASM5** consists of the results of a Google search carried out for the search term "Thomson Hotel" (with quotation marks). Mr Mallinson points out that none of the results on the first two pages refer to the Opponent.

SECTION 5(2)(b)

16) Section 5(2)(b) of the Act reads:

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

... (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

In reaching my decision I have taken into account the guidance provided by the Court of Justice of the European Union ("CJEU") in a number of judgments: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117 ("*Canon*"), *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, Case C-3/03 *Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05). In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10) Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

"(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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

17) In making my findings on where there exists a likelihood of confusion I have also borne in mind the guidance given by the General Court ("GC") in Case T-569/10 in *Bimbo SA v OHIM* ("*Bimbo*") on the correct application of the CJEU's judgment in *Medion v Thomson* ("*Medion*"):

"96 According to the case-law, where goods or services are identical there may be a likelihood of confusion on the part of the public where the contested sign is composed by juxtaposing the company name of another party and a registered mark which has normal distinctiveness and which, without alone determining the overall impression conveyed by the composite sign, still has an independent distinctive role therein (Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 37). There may also be a likelihood of confusion in a case in which the earlier mark is not reproduced identically in the later mark (see, to that effect, Joined Cases T-5/08 to T-7/08 *Nestlé v OHIM - Master Beverage Industries (Golden Eagle and Golden Eagle Deluxe)* [2010] ECR II-1177, paragraph 60)".

In *Aveda Corporation v Darbur India Ltd* [2013] EWHC 589 (Ch) ("*Aveda*") Arnold J followed *Bimbo*, deciding that the decision in *Medion* can also apply in cases where the composite sign incorporates a sign which is similar to, rather than identical with, the earlier trade mark. Applying the principles in *Medion* and *Aveda* to the present case, I shall need to ask myself whether the average consumer would perceive THOMPSON to have significance independently of the Applicant's mark as a whole, and whether that would lead to a likelihood of confusion.

18) The Opponent's CTM no 3613221 is not subject to the requirement to prove genuine use, so it will be convenient to make my global assessment of the likelihood of confusion by reference to this mark, since I do not consider that the other earlier marks take the Opponent's case any further.

Comparison of the relevant services

19) In its notice of opposition the Opponent relied on its entire specification for CTM no 3613221. In its submissions, however, it described only the Class 43 services as

relevant. I shall make my comparison on the basis of those Class 43 services which I consider necessary and sufficient for my decision, considering that other services do not take the Opponent's case further.

20) In making an assessment of the similarity of the services, all relevant factors relating to the services in the respective specifications should be taken into account. In *Canon Kabushiki Kaisha v. Metro- Goldwyn-Mayer* 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.”

21) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

“(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.”

22) Whether goods/services are complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), will depend on whether there exists a close connection or relationship such that one is important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 it was stated:

“It is true that goods are complementary if 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 (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P *Rossi v OHIM* [2006]

ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

23) I also bear in mind the recent guidance given by Mr Daniel Alexander QC, sitting as the Appointed Person, in case B/L O/255/13 *LOVE*, where he warned against applying too rigid a test with regard to complementarity.

24) When comparing the respective services, if a term clearly falls within the ambit of a term in the competing specification then identical services must be considered to be in play (see *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-133/05) even if there are other goods within the broader term that are not identical.

25) I will make the comparison with reference to the Applicant’s services.

Class 43: *Hotel services; rental of temporary accommodation*

26) *Hotel services* fall within the ambit of both *providing accommodation for travellers* and *providing rental of temporary accommodation* in the Class 43 services of the Opponent’s CTM 3613221. The services are identical under the guidance in *Meric*. *Rental of temporary accommodation* is identical with *providing rental of temporary accommodation* in the earlier mark.

Class 43: *Restaurant and bar services; services for providing food and drink*

27) *Restaurant and bar services* are identical with *providing restaurant, bar and catering services* in the Opponent’s CTM 3613221. The earlier mark’s *providing meals for travellers* is also covered by *services for providing food and drink*. *Providing restaurant, bar and catering services* also falls within the ambit of *services for providing food and drink*. The services are identical.

The average consumer and the purchasing process

28) According to the case-law, the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting goods can, however, vary depending on what is involved (see, for example, the judgment of the GC in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)).

29) The normal consumer for hotel, restaurant and bar services, for provision of food and drink and of temporary accommodation, and for the booking or arrangement of these services will be a member of the general public, but may sometimes be a business obtaining accommodation or food and drink for its staff in the course of their business activities. The potential range of the services covered by the Applicant’s specifications means that the nature of the purchasing process involved may vary. Hotel, restaurant and bar services can cover a range of establishments from the informal to the exclusive and expensive. The level of attention the consumer pays when purchasing accommodation may differ,

depending on the reason for the stay. Selection of accommodation for a family holiday is likely to be a more considered purchase than an overnight stay for business purposes. Hotel accommodation will be purchased largely through a visual process, brochures and online booking material playing a role, and this may also be the case with restaurant services. However, there is also potential for oral use of the mark (for example, through telephone bookings or television and radio advertising) and I will bear this in mind in my assessment. Overall, a reasonable degree of attention will be paid.


The distinctiveness of the earlier marks

30) The degree of distinctiveness of the earlier marks must be assessed. This is because the more distinctive the earlier mark (on the basis either of inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). The distinctive character of a trade mark must be assessed by reference to the goods or services in respect of which registration is sought and by reference to the way it is perceived by the relevant public (see *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91).

31) The word THOMSON is neither descriptive nor allusive of the Opponent’s services. It is one form of a fairly common surname in the UK. On this basis, I consider THOMSON to possess a normal degree of inherent distinctiveness in respect of those services, and I shall make my initial assessment of the likelihood of confusion on that basis. It will then be convenient later in my decision to consider separately the issue of enhanced distinctiveness through use and its consequences.

Comparison of the marks

32) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall impressions, bearing in mind their distinctive and dominant components. The marks to be compared are shown below.

The Opponent’s Mark	The Applicant’s Mark
<p>THOMSON</p>	

33) The Opponent's mark consists exclusively of the word THOMSON which, by virtue of being the sole component of the mark, is its dominant and distinctive element. I consider that the Applicant's mark consists of two equally dominant and distinctive elements presented in black and white against a lightly textured background. The first element consists of a white-on-black square device containing the letter B in a stylised rectangular form, surrounded by an inner border with a rectilinear pattern. The second element consists of the words BELGRAVES in large stylised lettering reflecting the rectilinear motif and monogram of the device, and beneath this, in the same stylised lettering, but substantially smaller, the words A THOMPSON HOTEL. The prominent BELGRAVES will be seen as the name of the hotel, but the strap-line A THOMPSON HOTEL will be read together with the name.

34) Visually, the Opponent's mark consists of the single word THOMSON, whereas the Applicant's mark is a composite mark as described above. There is no visual similarity between the word THOMSON and the visually prominent word BELGRAVES or the device in the Applicant's mark. Although the words A THOMPSON HOTEL are visually considerably less prominent, they still play a significant role in the overall visual balance of the mark. There is a difference of only one middle letter between the words THOMSON and THOMPSON, their beginnings and endings being identical. Viewed as a whole, there is a modest degree of visual similarity between the marks.

35) The device will play no role in the oral use of the Applicant's mark. It is difficult to imagine the words "a Thompson hotel" being used in circumstances such as a booking made over the telephone; the operative word would be BELGRAVES. There is no aural similarity between THOMSON and BELGRAVES. However, the words "A THOMPSON HOTEL" might, for example, be used in television or radio advertising. The P in THOMPSON will invariably be swallowed in pronunciation. Even if an effort is made to pronounce the P, it will be lost in this particular consonant combination. The pronunciation of THOMSON and THOMPSON will in practice be identical. Overall, there is, at most, a modest degree of aural similarity between the marks.

36) The average consumer will no doubt associate the monogram B in the device element in the Applicant's mark with the word BELGRAVES. This word might perhaps be intended to evoke associations with London's exclusive Belgravia district, but I think the average consumer will see it simply as a name, having no connection with the name THOMSON in the Opponent's mark.

Likelihood of confusion

37) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

38) In its submissions on the issue of confusion the Applicant is at pains to emphasise that it provides hotel services within the UK, whereas the Opponent does

not itself provide such services in the UK, but only arranges for them to be provided abroad through independent third parties trading under their own names. It is common, the Applicant argues, for hotels at the higher end of the market to indicate in their marketing that the hotel is part of a larger group under common ownership or management, and the public will be aware of this, and will understand the reference A THOMPSON HOTEL in the Applicant's mark in this sense. It further submits that the public will be aware that the Opponent does not own the hotels featured in its holidays, which will be seen to be trading independently under their own names, and that there is no admissible evidence that the Opponent has itself during the relevant period referred to the hotels featured in its holidays as "Thomson hotels", nor that they are referred to in this way by the public. Even if one were to accept that the earlier marks and the services provided by the Opponent under those marks are well known, the Applicant argues, bearing in mind the Applicant's mark as a whole, it is extremely unlikely that a customer of the Opponent would mistakenly book to stay at the Applicant's hotel, thinking that they were booking directly with the Opponent, or that there was any connection with it.

39) However, it is settled law that in assessing whether there is a likelihood of confusion I must make my comparison on the basis of notional and fair use over the whole range of services covered by the Applicant's and (since the earlier mark is not subject to proof of use) the Opponent's respective specifications. It is the inherent nature of the services of the specification which I have to consider; current use and business strategy are irrelevant to this notional comparison (see *Devinlec Développement Innovation Leclerc SA v OHIM* Case T- 147/03). I am required to consider the likelihood of confusion "in all the circumstances in which the mark applied for might be used if it were to be registered" (See Case C-533/06, *O2 Holdings v Hutchison 3G UK* at paragraph 66). This would include the applicant marketing in the UK normal cost hotel services which it provided in the UK or abroad.

40) I have found a modest degree of visual and (to a lesser extent) aural similarity between the marks. I have found that the average consumer will see both marks as consisting of, or containing, a fairly common British surname; THOMPSON and THOMSON will not be viewed as two different names. It is likely that the average consumer in the UK will have encountered both spellings of the name at one time or another. Many (probably most) will not even have registered the minor difference in spelling. Some may be aware of it, but will regard it simply as representing variant spellings of the same name. Both spellings of the name will be pronounced identically in practice. Which particular spelling is employed in the mark in suit will not normally be noticed by the average consumer. I consider that the word THOMPSON plays an independent distinctive role in the Applicant's mark, and will be perceived as being the same as the Opponent's mark. Bearing in mind my findings on the average consumer and purchasing process, that the Opponent's mark has a normal degree of inherent distinctiveness, and that I have found each of the services of the Applicant's specification to be identical with one or more of the Opponent's Class 43 services, there is a likelihood of confusion. Although I do not consider that consumers will directly confuse the marks themselves, I nevertheless consider that the average consumer is likely to believe that the services marketed under the marks come from the same undertaking, or from economically linked undertakings. **Accordingly, there is a likelihood of confusion under section 5(2)(b) in respect of all the services of the Applicant's specification.**

41) In making this finding I have not overlooked the Applicant's submissions and evidence to the effect that there has been no confusion in practice. Mr Pomeranc states that the Applicant's London hotel was opened in early February 2012, with advance bookings being taken since January 2012. He says that the name BELGRAVES, A THOMPSON HOTEL has been used in the UK via the Applicant's website since "as early as 2011" and the launch of the London hotel received widespread publicity since "as early as 2010". I found no material of that early date in the exhibits, but **Exhibit TH3** contains a range of print and online reviews following the hotel's opening in 2012, as described in paragraph 14. **Exhibit TH3** shows how the mark in suit is used on the hotel's stationery. Mr Pomeranc states that to the best of his knowledge, having made enquiries of the London management team, since the Belgraves London hotel has been in operation there has been no suggestion that there may be any connection between the Applicant and the Opponent or the Opponent's Thomson brand. Furthermore, he is not aware of any instances where there have been complaints from the Opponent's customers about making a booking directly with or for the Belgraves hotel, thinking that they were making a booking with a hotel affiliated with the Opponent and/or the Opponent's Thomson brand.

42) In *The European Limited v The Economist Newspaper Ltd* Millet LJ stated:

"Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark."

I also bear in mind the comments of Ms Anna Carboni, sitting as the Appointed Person in *Ion Associates v Philip Stainton & Another* (O-211-09 at paragraph 52), in which she said:

"For honest concurrent use to be of assistance to an applicant, it must be possible for the tribunal to be satisfied that the effect of the concurrent trading is such as to suggest that the relevant public has shown itself able to distinguish between goods bearing the marks in question without any confusion as to trade origin. That implies that both parties are targeting an approximately similar, or at least overlapping, audience and that the use by the parties in nature, extent and duration of trade has been sufficient to satisfy the tribunal that any apparent capacity for confusion has been adequately tested and found not to exist".

43) The evidence shows that the Applicant's activity on the UK market consists of the operation of a single hotel in London, marketed as part of a chain of "upmarket luxury boutique hotels". It has only been in operation since the beginning of 2012. The fact that only one hotel has been operated in the UK market for a relatively limited period in itself decreases the opportunity for consumers to have been exposed to both marks. The evidence filed by the Opponent, particularly the two Mintel reports, shows the Opponent as well-established on, and having a very significant share in, the much broader UK market for affordable holiday and tour

options abroad (though it also offers some “luxury holidays” abroad¹). Currently, therefore, the Applicant and the Opponent are very largely targeting different sectors of the market, the area of potential overlap in terms of market sector and share, period of activity and geographical spread being very limited at the moment. I must make my global assessment of the likelihood of confusion on the basis of notional and fair use over the whole range of services covered by the Applicant’s and (since the earlier mark is not subject to proof of use) the Opponent’s respective specifications. In this context the evidence does not show that the capacity for confusion has been adequately tested and found not to exist. My finding regarding the likelihood of confusion therefore remains undisturbed.

Enhanced distinctiveness through use

44) I have reached my finding above on the basis that the earlier mark has a normal degree of inherent distinctiveness. In view of this finding, it is not strictly necessary to consider whether the Opponent’s mark has acquired enhanced distinctiveness through use. However, since the Opponent’s case may be further strengthened if it can show such enhanced distinctiveness, and since relevant submissions have been made and evidence submitted, it is appropriate that I should record my findings on this point.

45) Any acquired enhanced distinctiveness of the Opponent’s mark can only arise through the actual use made of the mark by the Opponent in relation to services at issue under section 5(2)(b), and will depend on how that mark has been used in actual fact in the period before the mark in suit was applied for. This will have a bearing on how that enhanced distinctiveness may affect the assessment of likelihood of confusion. The enhanced distinctiveness must be in relation to services of the Opponent which are at least similar to those of the Applicant.

46) The Applicant argues that it has in actual fact provided hotel services within the UK, whereas the Opponent has not itself in fact provided such services in the UK to its UK customers, but only arranged for these services to be provided abroad through independent third parties trading under their own names. These services, the Applicant submits, are not similar; providing a service oneself and acting as a booking agency for a third party who provides that service are different things; the services are not competing, nor are they interchangeable; moreover, the average consumer can see that the services are different, and will not confuse them.

47) This amounts to saying that any enhanced distinctiveness the Opponent may have acquired in connection with services offered by it as part of its holiday packages is irrelevant to the question of confusion under section 5(2)(b), as long as the public is aware that the Applicant is a hotel operator (as indicated by its mark) and that the Opponent does not itself operate hotels, but rather is in the business of offering holiday packages through independent third party hotels. I do not accept this. There is a likelihood of confusion within the meaning of section 5(2)(b) (which implements Article 4(1)(b) of Directive 2008/95/EC) where the public can be mistaken as to the origin of the goods or services in question². In this connection it

¹ see **Exhibit JE2(ii)**, page 51

²See *Canon* at paragraphs 26-30.

is helpful to bear in mind the comments of Lord Nicholls of Birkenhead in *Scandecor Developments A.B. v Scandecor Marketing A.B.* [2001] 2 C.M.L.R. 30:

18 The need to distinguish the business source of goods is as old as trading itself. A maker of goods seeks to acquire and maintain a reputation for the quality of his goods, thereby encouraging customers to prefer his goods to those of his competitors. So he places a recognisable mark on his goods to distinguish them from the goods of others. It is in the public interest that he should be able to do so, and that he should be able to prevent others from using his chosen mark. The ability to apply a mark to goods encourages makers of goods to set and maintain quality standards. It enables customers to make an informed choice between different goods available in the market.

19 Although the use of trade marks is founded on customers' concern about the quality of goods on offer, a trade mark does not itself amount to a representation of quality. Rather it indicates that the goods are of the standard which the proprietor is content to distribute "under his banner"³ The concept of the owner of a mark holding himself out as responsible for the quality of the goods sold under his mark was noted by Lord Wright in *Aristoc Ltd v. Rysta Ltd*⁴:

The word "origin" is no doubt used in a special and almost technical sense in this connection, but it denotes at least that the goods are issued as vendible goods under the aegis of the proprietor of the trade mark, who thus assumes responsibility for them, even though the responsibility is limited to selection, like that of the salesman of carrots on commission in *Major Bros. v. Franklin & Sons*⁵. By putting them on the market under his trade mark he vouched his responsibility

Thus, in relying on a trade mark consumers rely, not on any legal guarantee of quality, but on the proprietor of a trade mark having an economic interest in maintaining the value of his mark. It is normally contrary to a proprietor's self-interest to allow the quality of the goods sold under his banner to decline.

48) A key selling point in the Opponent's offer of its holiday packages is its acceptance of responsibility for the services which it selects to comprise packages sold under its mark. An example can be seen on page 25 of **Exhibit JE3**:

"We know your time away is precious, so we are committed to offering you the highest possible levels of service. Every destination is quality checked by us first and you'll have the reassurance of our customer dedicated teams providing round the clock assistance".

Confirmation of the Opponent's assumption of responsibility can also be seen on page 166 of the brochure provided in the Applicant's **Exhibit RASM3**:

³ See Laddie J., in *Glaxo Group v. Dowelhurst Ltd (Infringement Action)*: [2000] F.S.R. 529.

⁴ [1945] A.C. 68.

⁵ [1908] 1 KB 712

“6. Our Responsibility for your holiday: We will arrange for you to receive the holiday that you choose and that we confirm. These services will be provided either directly by us or through independent suppliers contracted by us. *We are responsible for making sure that each part of the holiday you book with us is provided to a reasonable standard and as was advertised by us, or as changed and accepted by you. If any part of your holiday is not provided as described and this spoils your holiday, we will pay you compensation, if appropriate, unless this is due to reasons beyond our control* [emphasis added]. See “Important Note: Events Beyond Our Control”. We have taken all reasonable care to make sure that all the services which make up your holiday advertised by us are provided by efficient and reputable businesses. These businesses should follow local standards. However, overseas safety standards are generally lower than in the UK, for example few hotels yet meet EC fire safety recommendations even in Europe”.

49) Even though the hotel, restaurant and bar services offered by Opponent as part of its holiday packages are physically provided by hotels trading independently of it, in accepting responsibility for those services the Opponent is also providing them in the trade mark sense vis-a-vis its clients. On the basis of the evidence provided in Mr Ellis’s witness statement, together, in particular, with in **Exhibits JE2 and JE3** (and finding some corroboration in the material in **Exhibit RASM3** of the Applicant’s evidence), the Opponent enjoys a considerable reputation among a significant proportion of the general public in UK for the provision of package holidays provided under the mark THOMSON, the categories provided including family holidays and holidays for adults. Such packages will invariably involve *providing accommodation for travellers* and *providing rental of temporary accommodation*. They will also generally (particularly in the case of family holidays) involve *providing meals for travellers* and *providing catering services*, normally by *providing restaurant services*. In the case of holidays for adults, they will normally involve *providing bar services*. I find that the Opponent’s mark enjoys a high degree of enhanced distinctiveness in respect of all these services, which I have already found to be identical to the services of the Applicant’s specification.

50) Even if I am wrong in finding that the Opponent’s mark has enhanced distinctiveness for the provision of the services discussed in paragraph 49, the evidence I have cited in paragraph 49 in any case shows that the Opponent’s mark enjoys a considerable degree of enhanced distinctiveness in respect of the following services: *providing hotel reservation services; reservation services for booking meals; arranging accommodation for travellers; arranging rental of temporary accommodation; arranging restaurant, bar and catering services, and arranging meals for travellers*.

51) I do not accept that there is no similarity between *providing hotel reservation services* and *hotel services* or *rental of temporary accommodation*. It is true that they are different services, are not interchangeable and do not compete. Also, consumers may be aware of hotel booking agencies which operate independently of the hotels for which they book accommodation. However, consumers will also know that accommodation may be booked directly at most hotels, that some hotels and hotel groups may operate their own booking agencies, and that hotels also use travel agencies and package holiday providers such as the Opponent to sell their services.

Similar considerations apply in comparing *reservation services for booking meals and restaurant and bar services* or *services for providing food and drink*.

52) Moreover, the Opponent's *providing hotel reservation services* in any case also forms a part of its other services: *arranging accommodation for travellers* and *arranging rental of temporary accommodation*; and its *reservation services for booking meals* similarly also forms a part of its other services: *arranging restaurant, bar and catering services* and *arranging meals for travellers*. The *arrangement of services* goes considerably beyond mere *reservation* of them. It also includes responsibility for the selection of those services, as described in paragraphs 47 and 48. In order to cover their accommodation, food and drink needs consumers may book or obtain hotel, restaurant and bar services themselves directly from the immediate providers of those services. However, in many cases they will choose to obtain these services through a provider such as the Opponent. The consumers and the needs covered will be the same, and they will in many cases be obtained through the same undertaking: a provider, such as the Opponent, accepting responsibility for the package of services offered. This is so in the case of *arranging accommodation for travellers* or *arranging rental of temporary accommodation and hotel services or rental of temporary accommodation*. Consumers will regard them as being indispensable or important for each other in such a way that they may think responsibility for them lies with the same undertaking. There is a high degree of similarity. Similar considerations apply in the comparison of *arranging restaurant, bar and catering services* or *arranging meals for travellers* and *restaurant and bar services* or *services for providing food and drink*. There is a high degree of similarity between them.

53) I agree that that no admissible evidence has been provided to show that during the relevant period the Opponent has specifically referred to the hotels featured in its holidays as "Thomson hotels", or that they were referred to in this way by the public. However, the crucial question is not whether the term "THOMSON HOTEL" was used during the relevant period by the Opponent or public, but rather what the average consumer of the services offered by Opponent under its mark would have understood the term to mean during that period.

54) I have found services of the Opponent covering all the services of the Applicant's specification to be respectively identical to those services. I have also found services covering all the services of the Applicant's specification to be respectively highly similar to those services. I have found the Opponent's mark to have a high degree of enhanced distinctiveness for the relevant services of the Opponent in all these cases. In the light of these findings, and bearing in mind the other factors to be taken into account in my global assessment, as described in paragraph 40, I have little hesitation in concluding that there is a likelihood that the phrase A THOMSON HOTEL (which I have found would not be distinguished from A THOMPSON HOTEL) would be seen by the average consumer as indicating a hotel selected by the Opponent to provide services under the THOMSON "banner", in the manner described in paragraphs 47 and 48. This will be so whether the assessment is made on the basis of identity of services which I found in paragraph 49 or the high similarity of services which I found in paragraph 52. A likelihood of this kind of confusion is sufficient to satisfy the requirements of section 5(2)(b). This confusion would not be avoided by awareness on the part of the consumer that the hotel in

question was operated under its own name independently of the Opponent, and that its services could be booked and obtained direct from the hotel itself. I agree that the enhanced distinctiveness of the Opponent's mark among consumers of the services it provides will be based on their awareness of its activities in arranging holidays abroad; but, especially in view of the degree of enhanced distinctiveness of the mark, I do not consider that this will prevent them from understanding the phrase A THOMPSON HOTEL in the sense I have described, even when it is applied to a hotel in the UK. **Accordingly, there is a likelihood of confusion under section 5(2)(b) in respect of all the services of the Applicant's specification.**

SECTIONS 5(3) AND 5(4)(a)

55) In view of my finding under section 5(2)(b) there is no need for me to consider the Opponent's claims under sections 5(3) and 5(4)(a).

OUTCOME

56) **The opposition succeeds in its entirety.**

COSTS

57) In its counterstatement the Applicant requested an award of costs on the basis that the Opponent had not given prior notice of this opposition. Costs are not usually awarded against applicants who do not defend an action brought without prior notice (see Tribunal Practice Notice (TPN) 6/2008). That is not the case here. These proceedings have been defended, and I see no reason to depart from an award on the normal basis and the published scale of costs.

58) TUI Travel Amber E&W LLP has been successful and is entitled to a contribution towards its costs. I hereby order Thompson Hotels LLC to pay TUI Travel Amber E&W LLP the sum of £1,750. This sum is calculated as follows:

<i>Preparing a statement and considering the other side's statement</i>	£350
<i>Preparing evidence</i>	£800
<i>Written submissions</i>	£400
<i>Opposition fee</i>	£200

59) The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 7th day of January 2014

Martin Boyle
For the Registrar,
The Comptroller-General