

O-398-15

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 3054838  
BY EMEDIA DEVELOPMENT LIMITED  
TO REGISTER THE TRADE MARK:**

The logo for Cristal Hotels features the words "CRISTAL HOTELS" in a blue, serif font. The word "CRISTAL" is on the left, "HOTELS" is on the right, and they are separated by a small, stylized snowflake icon. The entire logo is centered horizontally.

**IN CLASS 43  
AND**

**IN THE MATTER OF OPPOSITION  
THERE TO UNDER No. 402781 BY  
TUI UK LIMITED**

## BACKGROUND





1) On 8 May 2014, Emedia Development Limited (hereinafter the applicant) applied to register the trade mark shown on the above page in respect of the following services:


In Class 43: Hotel accommodation services; Hotel reservation services; Making hotel reservations for others; Reservation of hotel accommodation; Agency services for booking hotel accommodation; Appraisal of hotel accommodation; Arranging of hotel accommodation; Booking of hotel accommodation; Booking of hotel rooms for travellers; Consultancy services relating to hotel facilities; Hotel catering services; Hotel information; Hotel room booking services; Hotel room reservation services; Provision of hotel accommodation; Services for reserving hotel rooms; Travel agency services for making hotel reservations; Travel agency services for reserving hotel accommodation; Providing hotel accommodation; Hotel reservations.

2) The application was examined and accepted, and subsequently published for opposition purposes on 13 June 2014 in Trade Marks Journal No.2014/025.

3) On 2 September 2014 TUI UK Limited (hereinafter the opponent) filed a notice of opposition. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade marks:

Mark	Number	Date of application / registration	Class	Specification
 Series of two marks	1476671	09.09.91 30.03.01	39	Arranging of holidays, tours, cruises and of airline travel; travel agency services; airline transport; delivery of cargo by air; booking of seats for travel; bus transport; hire, leasing and rental of cars; arranging and conducting of sight-seeing tours, escorting of travellers; tourist office services; chartering of airlines, boats, ferries, trains and coaches; all included in Class 39, but not including the sale and supply of discounted airline tickets.
 Series of two marks	1476672	09.09.91 30.03.01	43	Hotel services; reservation of accommodation; leasing and rental of villas and chalets for temporary accommodation; leasing and rental of temporary accommodation; provision of facilities for conferences, exhibitions and seminars.
  Series of two marks The applicant claims the	2282426	05.10.01 17.01.03	39	Arranging of holidays, tours, cruises and of airline travel; travel agency services; airline transport; delivery of cargo by air; booking of seats for travel; bus transport; hire, leasing and rental of cars; arranging and conducting of sight-seeing tours, escorting of travellers; tourist office services; chartering of airlines, boats, ferries, trains and coaches.

colours blue and red as an element of the first mark in the series.			43	Hotel services; reservation of accommodation; leasing and rental of villas and chalets for temporary accommodation; provision of facilities for conferences, exhibitions and seminars.
 <p>Series of two marks</p>	2425720	28.06.06 31.08.07	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 by road, rail or air; baggage handling; portorage; unloading cargo; crating of goods; freight forwarding; storage, rental of storage containers.
			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, café, bar and catering services; reservation services for booking meals.

b) The opponent contends that the mark in suit is confusingly similar to its registered trade marks shown above. It states that the services applied for in the mark in suit are similar or identical to those for which its marks are registered. The mark in suit therefore offends against section 5(2)(b) of the Act.

c) The opponent contends that it has used the mark CRYSTAL throughout the UK since 1981 in relation to a range of services identical to the specification shown above for trade mark 2425720. The opponent contends that it has goodwill and reputation in the mark CRYSTAL and that use of the mark in suit would cause misrepresentation and damage to its goodwill. The mark in suit therefore offends against section 5(4)(a) of the Act.

4) On 4 November 2014, the applicant filed a counterstatement. Basically, it denied all the grounds. It puts the opponents to strict proof of use.

5) Both sides filed evidence. Both parties seek an award of costs in their favour. Neither side wished to be heard; both sides provided written submissions.

## OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 2 February 2015, by Jeremy Ellis the Marketing Director of the opponent, a position he has held since March 2010. He states that he has full access to the records of his company and is authorised to make his statement. From his statement I take the following:

- Crystal Holidays is part of TUI UK Limited and incorporates Crystal Ski (the UK's number one ski tour operator) and Crystal Summer. Crystal Holidays takes approximately 200,000 people on holiday each year. Crystal was formed in 1981, was acquired by Thomson Holidays in 1997 which then merged with First Choice Holidays in 2007 to form TUI UK Ltd.

- Average turnover during the period 2008 – 2013 inclusive has averaged at over £108 million per annum. During the same period the average marketing expenditure was £2.4 million per annum. Advertising is via brochures, direct mailing to existing customers, the internet, media advertising and social networking.

7) Mr Ellis provides the following exhibits:

- JE1 copies of pages from the opponent's website dated January 2015 which shows use of the simple words "Crystal Holidays". These offer flights, accommodation etc.
- JE2: copies of pages from the opponent's website which show use of "Crystal Holidays" in relation to what can, at its narrowest, be described as offering package holidays and, at its broadest, be described as travel agent services since 2006. From November 2011 the mark used changed from the simple words "Crystal Holidays" to mark 2425720.
- JE4: This has examples of the front page used on brochures offering holidays. It shows use of the 1476671 & 1476672 trade marks from 1982-1993. The covers then change to use the 2425720 trade mark from 2006-2012.
- JE9: Copies of pages from the internet where consumers leave feedback regarding their Crystal holiday. They show that the vast majority of those who comment are satisfied.
- JE10 & 11: Copies of internet pages relating to the large number of industry awards that the opponent has won.

## **APPLICANT'S EVIDENCE**

8) The applicant filed a witness statement, dated 25 March 2015, by John Pepin a Director of the applicant company. He points out that the majority of the printouts provided by the opponent are from the website crystalholidays.co.uk which he states is registered to Tropical Places Ltd (exhibit 1). He also provides, at exhibit 2, copies of reports from Companies House which shows that Tropical Places Ltd and Crystal Holidays Ltd are both dormant. He also points out that Mr Ellis does not refer to use by predecessors in business but merely use by "his company". He also questions the figures provided by the opponent, stating that no invoices or accounts were provided.

## **OPPONENT'S EVIDENCE IN REPLY**

9) The opponent filed a witness statement, dated 30 April 2015, by Jandan Aliss the opponent's Trade Mark Attorney. Mr Aliss states that in using the term "my company" Mr Ellis was simply using a common term which referred to the opponent company. He confirms that the domain name crystalholidays.co.uk is owned by Tropical Places Ltd, however, he points out that this company is owned by the opponent, and that Tropical Places Ltd was previously Crystal Holidays Ltd. It is denied that Tropical Places Ltd is "dormant". He provides an extract from Companies House which shows that the company is active.

10) That concludes my summary of the evidence filed, insofar as I consider it necessary.

## **DECISION**

11) The first ground of opposition is based on section 5(2)(b) which reads:

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

- (a) .....
- (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.”

12) An “earlier trade mark” is defined in section 6, the relevant part of which states:

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

- (a) a registered trade mark, international trade mark (UK) or Community trade mark 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.”

13) The opponent is relying upon its four trade marks listed in paragraph 3 above which are clearly earlier trade marks. The applicant requested that the opponent provide proof of use and, given the interplay between the dates of both parties’ marks, all of the opponent’s marks are subject to proof of use. Section 6A of the Act states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark 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 Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.
- (7) Nothing in this section affects –
- (a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or
  - (b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

14) I must first consider whether the opponent has fulfilled the requirement to show that genuine use of its marks has been made. In the instant case the publication date of application 3054838 was 13 June 2014, therefore the relevant period for the proof of use is 14 June 2009 – 13 June 2014. In *Stichting BDO v BDO Unibank, Inc.*, [2013] F.S.R. 35 (HC), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

- (1) Genuine use means actual use of the mark by the proprietor or third party with authority to use the mark: *Ansul*, [35] and [37].
- (2) The use must be more than merely token, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].
- (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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider* [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]".

15) Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that “*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question*”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

16) Also in *Laboratoire de la Mer* Trade Mark [2006] FSR 5, the Court of Appeal held that sales under the mark to the trade may qualify as genuine use. Mummery L.J. stated that:

“31. After some hesitation I have reached a different conclusion from Blackburne J. on the application of the Directive, as interpreted in *Ansul* and *La Mer* , to the rather slender facts found by Dr Trott.”

32. Blackburne J. interpreted and applied the rulings of the Court of Justice as placing considerably more importance on the market in which the mark comes to the attention of *consumers and end users* of the goods than I think they in fact do. I agree with Mr Tritton that the effect of Blackburne J.'s judgment was to erect a quantitative and qualitative test for market use and market share which was not set by the Court of Justice in its rulings. The Court of Justice did not rule that the retail or end user market is the only relevant market on which a mark is used for the purpose of determining whether use of the mark is genuine.

33. Trade marks are not only used on the market in which goods bearing the mark are sold to consumers and end users. A market exists in which goods bearing the mark are sold by foreign manufacturers to importers in the United Kingdom. The goods bearing the LA MER mark were sold by Goëmar and bought by Health Scope Direct on that market in arm's length transactions.

The modest amount of the quantities involved and the more restricted nature of the import market did not prevent the use of the mark on the goods from being genuine use on the market. The Court of Justice made it clear that, provided the use was neither token nor internal, imports by a single importer could suffice for determining whether there was genuine use of the mark on the market.

34. There was some discussion at the hearing about the extent to which Goëmar was entitled to rely on its intention, purpose or motivation in the sales of the goods bearing the mark to Health Scope Direct. I do not find such factors of much assistance in deciding whether there has been genuine use. I do not understand the Court of Justice to hold that subjective factors of that kind are relevant to genuine use. What matters are the objective circumstances in which the goods bearing the mark came to be in the United Kingdom. The presence of the goods was explained, as Dr Trott found, by the UK importer buying and the French manufacturer selling quantities of the goods bearing the mark. The buying and selling of goods involving a foreign manufacturer and a UK importer is evidence of the existence of an economic market of some description for the goods delivered to the importer. The mark registered for the goods was used on *that* market. That was sufficient use for it to be genuine use on the market and in *that* market the mark was being used in accordance with its essential function. The use was real, though modest, and did not cease to be real and genuine because the extinction of the importer as the single customer in the United Kingdom prevented the onward sale of the goods into, and the use of the mark further down, the supply chain in the retail market, in which the mark would come to the attention of consumers and end users.”

17) Whilst Neuberger L.J. (as he then was) stated:

“48. I turn to the suggestion, which appears to have found favour with the judge, that in order to be “genuine”, the use of the mark has to be such as to be communicated to the ultimate consumers of the goods to which it is used. Although it has some attraction, I can see no warrant for such a requirement, whether in the words of the directive, the jurisprudence of the European Court, or in principle. Of course, the more limited the use of the mark in terms of the person or persons to whom it is communicated, the more doubtful any tribunal may be as to whether the use is genuine as opposed to token. However, once the mark is communicated to a third party in such a way as can be said to be “consistent with the essential function of a trademark” as explained in [36] and [37] of the judgment in *Ansul*, it appears to me that genuine use for the purpose of the directive will be established.

49. A wholesale purchaser of goods bearing a particular trademark will, at least on the face of it, be relying upon the mark as a badge of origin just as much as a consumer who purchases such goods from a wholesaler. The fact that the wholesaler may be attracted by the mark because he believes that the consumer will be attracted by the mark does not call into question the fact that the mark is performing its essential function as between the producer and the wholesaler.”

18) The applicant contends that the opponent has not shown any use of the marks relied upon. In its submission these contentions were stated thus:

“The opponent has put up a lot of submissions and supposed evidence of its rights but the applicant would respectfully contend that there are 2 glaring holes in that (1) There is NO proper acceptable, explicit evidence of use (let alone real use) As is stated in John Pepin’s witness statement, it is easy to write down “A” figure(s) that sounds impressive BUT what is required is proper evidence supporting such words. THAT is missing from the Opponents evidence (2) There are many claims of various Rights going back decades but the Opponent has failed to



adduce any evidence that shows how those alleged “Rights” supposedly now belong to the Opponent TUI UK Ltd to enforce. It is all very wishy washy from John Ellis’s use of the word “My Company” throughout his statement, to the lack of any real documentary evidence of use of the alleged marks by TUI UK Ltd.

As is evidenced in John Pepin’s (Applicant’s) witness statement, the website [crystalholidays.co.uk](http://crystalholidays.co.uk) from which much of the documentary exhibits that the opponent has filed with Mr Ellis’s witness statement, is actually owned by Tropical Places Ltd and NOT by the opponent TUI UK Ltd and therefore does not show use of the marks by the opponent.”

19) When considering the evidence filed I take into account the comments in *Awareness Limited v Plymouth City Council*, Case BL O/230/13, where Mr Daniel Alexander Q.C. as the Appointed Person stated that:

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

and further at paragraph 28:

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

20) I also look to the case of *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL O/404/13, where Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

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

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry

and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

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

21) I will turn first to deal with the contention that the opponent owns the various rights claimed and that the use shown has been by different companies, other than the opponent. It is clearly stated in the opponent's evidence that the website, crystalholidays.co.uk, which shows much of the use relied upon by the opponent is owned by Tropical Places Ltd (formerly Crystal Holidays Ltd) which is owned by the opponent. The various mergers and takeovers which resulted in the formation of TUI UK Ltd were also outlined. I am therefore content that the opponent owns the earlier rights relied upon and that the use shown by companies within the group is use by the opponent.

22) The allegation that the opponent has simply chosen to "write down "A" figure(s) that sounds impressive" in a witness statement is risible. The evidence that the opponent filed gave a breakdown of turnover per annum and also included annual figures for marketing. The statement was made by a director of the opponent company who stated that he had access to the records of the company. The UK holiday market is very substantial, and it was stated that approximately 200,000 people per annum book holidays under the marks in suit, which provides an average of approximately £540 per person, which is eminently believable. None of the figures provided are obviously incredible. I accept that the opponent has not provided invoices but the statement is corroborated by the various exhibits filed which support the overall narrative.

23) The opponent has provided evidence, through brochures and the internet of the plain words "CRYSTAL HOLIDAYS" until November 2011, and from 2006 to date use of the mark 2425720. I have described the use as, at least, offering package holidays i.e. travel, accommodation and food. At its broadest the use is offering standard travel agent services such as arranging holidays including booking flights, hotels, cruises etc. Whichever is correct, they amount to much the same activity. The consumer will use the services offered and acquire travel to a destination (by plane, ship, coach, train or car), accommodation (in a hotel, cabin, chalet etc) and in some cases food (breakfast, half or full board). For ease of reference I shall refer to the service provided under the marks as a travel agent.




24) I must determine whether use of trade mark 2425720 and also the words "CRSTAL HOLIDAYS" can be construed as use of the opponent's other trade marks. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act (which is the same as that for section 6) as follows:

"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."

25) Similar comments have also been made in *Remus Trade Mark* – BL O/061/08 (Appointed Person) & *OAO Alfa-Bank v Alpha Bank A.E.* - 2011 EWHC 2021 (Ch) and *Orient Express Trade Mark* - BL O/299/08 (Appointed Person). Although these cases were decided before the judgment of the Court of Justice of the European Union ("CJEU") in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, they remain sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark.

26) For ease of reference the registered marks are as follows:

<p>2282426:</p>  <p>Series of two marks The applicant claims the colours blue and red as an element of the first mark in the series.</p>	<p>2425720:</p>  <p>Series of two marks</p>
<p>1476671 &amp; 1476672:</p>  <p>Series of two marks</p>	

27) To my mind, the distinctive element of all the marks is the word "Crystal" whether it is in upper or lower case. The device elements are, in my opinion, not particularly distinctive or dominant. Indeed the element used in 1476671 and 1476672 was obviously regarded as non-distinctive as it was the mark was registered as a series along with the plain word. The use of the plain words "Crystal Holidays" in respect of, broadly speaking, travel agent services means that the word "holidays" will be discounted by the average consumer. Use of the plain word "crystal" is, in my opinion, use of all the marks shown in paragraph 25.

28) I now turn to consider what services the marks has been used upon and the specification they are entitled to rely on for the purposes of the comparison. Mr Justice Arnold (as he now is) in his judgments as The Appointed Person in *Nirvana Trade Mark BL O-262-06* and *Extreme Trade Mark BL O-161-07* comprehensively examined the case law in this area. His conclusion in *Nirvana* was that:

“(1) The tribunal’s first task is to find as a fact what goods or services there has been genuine use of the trade mark in relation to during the relevant period: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [30].

(2) Next the tribunal must arrive at a fair specification having regard to the use made: *Decon v Fred Baker* at [23]; *Thomson v Norwegian* at [31].

(3) In arriving at a fair specification, the tribunal is not constrained by the existing wording of the specification of goods or services, and in particular is not constrained to adopt a blue-pencil approach to that wording: *MINERVA* at 738; *Decon v Fred Baker* at [21]; *Thomson v Norwegian* at [29].

(4) In arriving at a fair specification, the tribunal should strike a balance between the respective interests of the proprietor, other traders and the public having regard to the protection afforded by a registered trade mark: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [29]; *ANIMAL* at [20].

(5) In order to decide what is a fair specification, the tribunal should inform itself about the relevant trade and then decide how the average consumer would fairly describe the goods or services in relation to which the trade mark has been used: *Thomson v Norwegian* at [31]; *West v Fuller* at [53].

(6) In deciding what is a fair description, the average consumer must be taken to know the purpose of the description: *ANIMAL* at [20].

(7) What is a fair description will depend on the nature of the goods, the circumstances of the trade and the breadth of use proved: *West v Fuller* at [58]; *ANIMAL* at [20].”

29) The General Court (“GC”) in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03 (“Aladdin”)* held that:

“43. Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44. With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45. It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or subcategories relating to which the goods

or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46. Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category."

30) In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as Appointed Person summed up the law as being:

"In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

31) I have characterised the use shown as the services of a travel agent. This equates to selling and booking complete holiday packages as well as travel and accommodation individually, to meet the demands of the consumer. Although the opponent has not shown all of the services in detail the average consumer will expect a travel agent to arrange the following in class 39: Arranging of holidays, tours, cruises and of airline travel; travel agency services; airline transport; booking of seats for travel; bus transport; hire, leasing and rental of cars; arranging and conducting of sight-seeing tours, escorting of travellers; tourist office services; chartering of airlines, boats, ferries, trains and coaches. In respect of class 43 the average consumer would not expect a travel agent to arrange "delivery of cargo by air" or "providing tourist office services; portorage; unloading cargo; crating of goods; freight forwarding; storage, rental of storage containers".

32) In respect of class 43 services they would also expect a travel agent to arrange "Hotel services; reservation of accommodation; leasing and rental of villas and chalets for temporary accommodation; leasing and rental of temporary accommodation" and "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, café, bar and catering services; reservation

services for booking meals” but would not expect a travel agent to arrange “provision of facilities for conferences, exhibitions and seminars”. To my mind it is appropriate to reduce the specifications registered given the breadth of the use. Therefore, the specifications of the registered marks which will be taken into account in the subsequent comparison will be as follows:

1476671	In class 39: Arranging of holidays, tours, cruises and of airline travel; travel agency services; airline transport; booking of seats for travel; bus transport; hire, leasing and rental of cars; arranging and conducting of sight-seeing tours, escorting of travellers; tourist office services; chartering of airlines, boats, ferries, trains and coaches; all included in Class 39, but not including the sale and supply of discounted airline tickets.
1476672	In class 43: Hotel services; reservation of accommodation; leasing and rental of villas and chalets for temporary accommodation; leasing and rental of temporary accommodation;
2282426	In class 39: Arranging of holidays, tours, cruises and of airline travel; travel agency services; airline transport; booking of seats for travel; bus transport; hire, leasing and rental of cars; arranging and conducting of sight-seeing tours, escorting of travellers; chartering of airlines, boats, ferries, trains and coaches. In class 43: Hotel services; reservation of accommodation; leasing and rental of villas and chalets for temporary accommodation;
2425720	In class 39: Arranging and booking of holidays, travel, tours, cruises, and vehicle hire; escorting of travellers; arranging and booking of seats for travel; travel agency services; air transport, transport of passengers by road, rail or air; baggage handling; In 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, café, bar and catering services; reservation services for booking meals.

33) When considering the issue under section 5(2)(b) I take into account 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 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 great degree of similarity between the marks, and vice versa;

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

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

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

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

### **The average consumer and the nature of the purchasing decision**

34) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods; I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

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

35) The applicant's specification is for, broadly, hotel accommodation and services including travel agent services in class 43. The opponent's specifications cover travel agent services including hotel accommodation. The services of both specifications can vary somewhat in their prices but neither would be considered to be overly complex. The services would be purchased by the average member of the public and businesses. Such services tend, for the most part, to be purchased in shops, online or from brochures. The provider will be self selected and the visual aspect will be the most important element. When using a travel agent shop or if ordering by telephone aural considerations must be considered but the initial choice will still be made visually. Businesses will also be customers but I believe that they will make their choices in a similar way, be it from the internet, a brochure or from a travel agent shop. They may also order via the telephone or in person. Effectively they have the same

issues as the general public and I regard them to be the same. I accept that more expensive services may be researched or discussed with a member of staff.

36) Given the importance to most people of a holiday providing them with a pleasurable time and the relatively high cost, the average consumer's will pay a reasonable degree of attention to the selection of hotels, flights etc.

### Comparison of services

37) In the judgment of the Court of Justice of the European Union (CJEU) in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment 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”.

38) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) 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.

39) I also take into account the comments of Jacob J. in *Avnet Incorporated v. Isoact Ltd* [1998] FSR 16 where he said:

“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.”

40) I shall concentrate on the class 43 services of the opponent. For ease of reference the services of the two parties are as follows:

Applicant's services	Opponent's services
In Class 43: Hotel accommodation services; Hotel reservation services; Making hotel reservations for others; Reservation of hotel	1476672: In class 43: Hotel services; reservation of accommodation; leasing and rental of villas and chalets for temporary accommodation; leasing and rental of temporary accommodation.



accommodation; Agency services for booking hotel accommodation; Appraisal of hotel accommodation; Arranging of hotel accommodation; Booking of hotel accommodation; Booking of hotel rooms for travellers; Consultancy services relating to hotel facilities; Hotel catering services; Hotel information; Hotel room booking services; Hotel room reservation services; Provision of hotel accommodation; Services for reserving hotel rooms; Travel agency services for making hotel reservations; Travel agency services for reserving hotel accommodation; Providing hotel accommodation; Hotel reservations.	2282426: In class 43: Hotel services; reservation of accommodation; leasing and rental of villas and chalets for temporary accommodation.  2425720: In 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, café, bar and catering services; reservation services for booking meals.
--	---

41) To my mind the opponent's services of "reservation of accommodation" (1476672 & 2282426) and "Arranging and/or providing accommodation for travellers" (2425720) are identical to the applicant's services of "Hotel reservation services; Making hotel reservations for others; Reservation of hotel accommodation; Agency services for booking hotel accommodation; Arranging of hotel accommodation; Booking of hotel accommodation; Booking of hotel rooms for travellers; Hotel room booking services; Hotel room reservation services; Services for reserving hotel rooms; Travel agency services for making hotel reservations; Travel agency services for reserving hotel accommodation; Hotel reservations".

42) Similarly the opponent's services of "Hotel services" (1476672 & 2282426) and "Arranging and/or providing accommodation for travellers; arranging and/or providing meals for travellers" (2425720) are identical to the applicant's services of "Hotel accommodation services; Hotel catering services; Provision of hotel accommodation; Providing hotel accommodation".

43) To my mind the applicant's remaining services of "Appraisal of hotel accommodation; Consultancy services relating to hotel facilities; Hotel information" are not similar to the opponent's class 43 services shown above. However, they are similar to the class 39 services of "travel agency services" for which the opponent's marks 1476671, 2282426 and 2425720 are registered and which I believe they have been used in the relevant period.

### **Distinctive character of the earlier trade mark**

44) 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 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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

45) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.’

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out”.

46) However the independent and distinctive element does not need to be identical. In *Bimbo SA v OHIM*, Case T-569/10, the General Court held that:

“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).”

47) In *Aveda Corp v Dabur India Ltd* [2013] EWHC 589 (Ch), Arnold J. stated that:

“47. In my view the principle which I have attempted to articulate in [45] above is capable of applying where the consumer perceives one of the constituent parts to have significance independently of the whole, but is mistaken as to that significance. Thus in *Bulova Accutron* the earlier trade mark was ACCURIST and the composite sign was BULOVA ACCUTRON. Stamp J. held that consumers familiar with the trade mark would be likely to be confused by the

composite sign because they would perceive ACCUTRON to have significance independently of the whole and would confuse it with ACCURIST.

48. On that basis, I consider that the hearing officer failed correctly to apply *Medion v Thomson*. He failed to ask himself whether the average consumer would perceive UVEDA to have significance independently of DABUR UVEDA as a whole and whether that would lead to a likelihood of confusion.”





48) The opponent’s first two marks (1476671 & 1476672) consist of the word “CRYSTAL” and also the same word with the letters “Y” and “L” being extended at the base to form an underlining to the front and rear of the word. The third and fourth marks have a logo device in front/above the word “CRYSTAL” written in lower and upper case respectively. In all of the opponent’s marks the word “CRYSTAL” is the dominant and distinctive element. The word CRYSTAL is a well known English word which is not directly descriptive of the services. None of the device elements are meaningful or particularly memorable, although they cannot be ignored in the overall comparison. Overall all the opponent’s marks have a moderate level of inherent distinctiveness. Whilst the opponent has filed evidence of use of its marks in the UK it has not provided evidence of market share, and the evidence is not enough for the opponent to benefit from enhanced distinctiveness


**Comparison of trade marks**

49) 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 them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Case C-591/12P, Bimbo SA v OHIM*, 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.”

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

Opponents’ trade marks	Applicant’s trade mark
1476671 & 1476672:  Series of two marks	
2282426:  	

<p>Series of two marks The applicant claims the colours blue and red as an element of the first mark in the series.</p>	
<p>2425720:</p>  <p>Series of two marks</p>	

51) The applicant contended in its submissions that:

“The applicant strongly refutes the contentions of the opponent in its submissions that the marks are visually similar. The applicant’s applied for figurative mark uses and “I” instead of “Y”, is in a totally different colour and the design is not in any way visually similar to the opponent’s mark. Furthermore the applicant’s mark is exactly as applied for and includes the word “HOTELS” as a major part of the mark. Aurally the difference is that the applicant’s applied for mark would be referred to as “Cristal Hotels” as it is a plural “HOTELS” and therefore would not at all be aurally confused with Crystal. As regards conceptually, It is denied that the applicant’s applied for mark is conceptually anywhere near similar to the opponent’s marks. The mark that the applicant has applied for does not show a description of a service, it shows a brand of HOTELS (Plural) called “CRISTAL HOTELS”. The opponent does NOT have any physical hotels in the UK called Crystal and does not refer to hotels under the name “Crystal” and there is no similarity of concept. It is denied that the dominant element of the applicant’s applied for mark CRISTAL HOTELS can be said to be “CRISTAL” when the mark is a figurative mark and has a logo at each end of the 2 words and in a distinctive font and colour. There is no dominant element in the applicant’s applied for mark, it is a mark that will be seen as a whole, not pulled apart.”

52) I note firstly that the applicant’s mark is not subject to a colour limitation and no use of the mark in suit has been provided. I take into account the comments in *Specsavers International Healthcare Limited & Others v Asda Stores Limited*, Case C-252/12, where the Court of Justice of the European Union held that:

“2. Article 9(1)(b) and (c) of Regulation No 207/2009 must be interpreted as meaning that where a Community trade mark is not registered in colour, but the proprietor has used it extensively in a particular colour or combination of colours with the result that it has become associated in the mind of a significant portion of the public with that colour or combination of colours, the colour or colours which a third party uses in order to represent a sign alleged to infringe that trade mark are relevant in the global assessment of the likelihood of confusion or unfair advantage under that provision.

3. Article 9(1)(b) and (c) of Regulation No 207/2009 must be interpreted as meaning that the fact that the third party making use of a sign which allegedly infringes the registered trade mark is itself associated, in the mind of a significant portion of the public, with the colour or particular combination of colours which it uses for the representation of that sign is relevant to the global assessment of the likelihood of confusion and unfair advantage for the purposes of that provision.”

53) I shall therefore consider the applicant's mark in suit as black and white. I do not regard the font use in the mark in suit as being particularly distinctive, similarly the fonts used in the opponent's marks are also unremarkable. Whilst the "snowflake" logo elements in the mark in suit cannot be overlooked completely they will be largely discounted as merely decorative features by the average consumer. Given that every element of the applicant's specification relates to, broadly, hotel services the word "HOTELS" in the mark in suit will be seen as largely descriptive. The distinctive and dominant element is clearly the word "CRISTAL". I accept that the word is spelt incorrectly with a letter "i" instead of the letter "y", regrettably given the level of literacy of the average UK consumer this would not be noticed by everyone. Even if it were consumers are increasingly used to words being incorrectly spelt, deliberately or otherwise. I have already determined that the dominant and distinctive feature of all the opponent's marks is the word "CRYSTAL". However, I will take into account that there are also device elements in the opponent's marks. Visually the marks have differences, the word "HOTELS" and also device elements, as well as similarities in the words "CRISTAL" and "CRYSTAL". Overall they have a moderate degree of visual similarity. Aurally the marks share the same first word, with the mark in suit also have a second word, the marks have a moderate degree of aural similarity. Conceptually both have the same first word which is a well known word and despite the misspelling I believe that the marks are conceptually identical.

### **Likelihood of confusion**

53) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle 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. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponents' trade marks as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the services, the nature of the purchasing process and the fact 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. Earlier in this decision, I concluded that:

- the average consumer is a member of the general public (including businesses), who will select the services by predominantly visual means and who will pay only a reasonable degree of care when doing so;
- The class 43 specifications of each of the opponent's marks, 1476672, 2282426 & 2425720) are clearly identical, with the exception of "Appraisal of hotel accommodation; Consultancy services relating to hotel facilities; Hotel information" which are not similar to any of the opponents' services in class 43. However, these services are similar to the class 39 services of the opponent's marks 1476671, 2282426 and 2425720.
- In comparing the mark in suit to all of the opponents' marks the competing trade marks have a moderate degree of visual, aural similarity and are conceptually identical.
- the opponent's earlier trade marks have a moderate level of inherent distinctiveness but cannot benefit from an enhanced distinctiveness.

54) In view of the above and allowing for the concept of imperfect recollection, there is a likelihood of consumers being confused into believing that the services provided by the applicant are those of the

opponent or provided by some undertaking linked to it. **The opposition under Section 5(2) (b) therefore succeeds in full.**

55) I next turn to the ground of opposition under section 5(4)(a) which reads:

“5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

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

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

56) In deciding whether the marks in question offend against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *WILD CHILD* case [1998] RPC 455. In that decision, Mr Hobbs stated that:

“The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the applicant from those of other undertakings (see section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Article 4(4)(b) of the Directive and section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off.

A helpful summary of the elements of an action for passing off can be found in Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731 is (with footnotes omitted) as follows:

‘The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

57) First I must determine the date at which the opponent’s claim is to be assessed; this is known as the material date. In this regard, I note the judgment of the General Court (GC) in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Joined Cases T-114/07 and T-115/07*. In that judgment the GC said:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation

must be established at the date on which the defendant began to offer his goods or services (Cadbury Schweppes v Pub Squash (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non registered national mark before the date of filing, in this case 11 March 2000."

58) The filing date of the application (8 May 2014) is, therefore, the material date. However, if the applicant has used their trade mark prior to this then this use must also be taken into account. It could, for example, establish that the applicant is the senior user, or that there had been common law acquiescence, or that the status quo should not be disturbed; any of which could mean that the applicant's use would not be liable to be prevented by the law of passing-off – the comments in Croom's Trade Mark Application [2005] RPC 2 and Daimlerchrysler AG v Javid Alavi (T/A Merc) [2001] RPC 42 refer." There is no evidence that the applicant has used its mark.

59) The opponent has provided turnover and marketing figures for its business in the UK and, to my mind, has clearly shown that it has goodwill in the UK in respect of travel agent services. It therefore clears the first hurdle.

60) Whilst it is well established that it is not necessary for the parties to a passing-off action to be in the same area of trade or even a related area of trade (*Harrods Ltd v Harrodian School Ltd* [1996]) earlier in this decision I determined that the services of the two parties were identical or similar. I also found that the marks of the two parties overall were moderately similar and that use of the mark in suit, actual or on a fair and notional basis would result in confusion with the opponent's mark. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will occur. The opposition under Section 5(4)(a) of the Act must succeed.

61) The applicant has not provided any evidence that it has used its mark. In a *quia timet* action it is clearly not possible to show that damage has been suffered. In *Draper v Trist and Trisbestos Brake Linings Ltd* 56 RPC 429 Goddard L.J. stated:

"But in passing-off cases, the true basis of the action is that the passing-off by the defendant of his goods as the goods of the plaintiff injures the right of property in the plaintiff, that right of property being his right to the goodwill of his business. The law assumes, or presumes, that if the goodwill of a man's business has been interfered with by the passing-off of goods, damage results therefrom. He need not wait to show that damage has resulted, he can bring his action as soon as he can prove passing-off; because it is one of the class of cases in which the law presumes that the Plaintiff has suffered damage. It is in fact, I think, in the same category in this respect as an action for libel. We know that for written defamation a plaintiff need prove no actual damage. He proves his defamation. So, with a trader; the law has always been particularly tender to the reputation and goodwill of traders. If a trader is slandered in the way of his business, an action lies without proof of damage."

62) Consequently, in the instant case, as the opponent has established a goodwill and shown deception then damage can be considered as the automatic sequitur in relation to the services in class 43 and the three elements of the classic trinity of passing-off will have been established. The use of the mark in suit in relation to the services in class 43 will erode the distinctiveness of the earlier marks and/or result in a loss of control of the goodwill associated with CRYSTAL. **The opposition under Section 5(4) therefore succeeds in respect of all services in class 43.**

## **CONCLUSION**

63) The opposition under Sections 5(2)(b) and 5(4)(a) have been successful.

## **COSTS**

64) As the opponent has been successful it is entitled to a contribution towards its costs.

Expenses	£200
Preparing a statement and considering the other side's statement	£300
Preparing evidence	£500
Preparing submissions	£200
<b>TOTAL</b>	<b>£1200</b>

65) I order Emedia Development Limited to pay TUI UK Limited the sum of £1200. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 24<sup>TH</sup> day of August 2015**

**George W Salthouse  
For the Registrar,  
the Comptroller-General**