

O-402-16

IN THE MATTER OF THE TRADE MARKS ACT 1994

**AND IN THE MATTER OF TRADE MARK REGISTRATION NO. 3029714
IN THE NAME OF LONG LIFE LAMP COMPANY LTD**

**AND IN THE MATTER OF THE APPLICATION FOR INVALIDITY (NO. 500480) BY
OPUS LONG LIFE LAMP COMPANY LTD**

**AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF
MR OLIVER MORRIS DATED 7 MARCH 2016**

DECISION

1. This is an appeal from a decision of Mr Oliver Morris, the Hearing Officer for the Registrar, in which he rejected an application to invalidate the mark LONG LIFE LAMP COMPANY ("the Mark"). Opus Long Life Lamp Company Ltd, the applicant for invalidity, ("Opus") appeals that decision.

Background

2. On 7 July 2013, Long Life Lamp Company Ltd ("the Proprietor") applied to register the Mark for the following goods in class 11:

Apparatus for lighting; commercial lighting apparatus; light bulbs; energy saving light bulbs; light-emitting diodes [LED] lighting apparatus; LED light bulbs; LED light fittings; LED light machines; compact fluorescent lights and lamps; halogen lamps; halogen light bulbs; fluorescent lamps; fluorescent lights; electric discharge lamps; luminous discharge lamps; light discharge tubes; lamp holders; parts and fittings for all the aforesaid goods.

3. The Mark was registered on 23 May 2014. On 7 July 2014, Opus applied for a declaration of invalidity, claiming that the registration was invalid under sections 3(1)(b), (c) and (d) of the Trade Marks Act 1994 ("the Act") because the Mark lacks distinctiveness, was descriptive or was generic. The Proprietor denied those claims, but also claimed that the Mark had acquired a distinctive character through use.

4. Both sides filed evidence and were represented at a hearing before Mr Morris (as they were at the appeal hearing before me) by Ms Katherine McCormick of Trade Mark Direct, for the Proprietor, and by Mr Michael Edenborough QC, instructed by Dehns, for Opus.

5. In summary, the Hearing Officer found:
 - a. the words LONG LIFE would indicate to the relevant public a product that has a longer life or lifespan than a standard version; the evidence to that effect was "compelling";
 - b. the word LAMP would be known by the relevant end consumer to mean not just a complete lighting unit such as a table lamp, but also to mean a "light emitting device" which a customer would more commonly call a light bulb;
 - c. however, the inclusion of the word "Company" in the Mark meant that it was not (taken as a whole) objectionable under s 3(1)(c), as it was not descriptive of the goods in the specification but descriptive of the company providing the goods;
 - d. the Mark sent a "message that the company providing the goods is one that specialises or has a particular focus on long life lamps" and was devoid of distinctive character and *prima facie* objectionable under s 3(1)(b);
 - e. the Mark as a whole had not been used generically, so that the s 3(1)(d) objection failed;
 - f. the Mark had been used in relation to certain of the goods within the specification. To that extent, it had acquired distinctiveness by the date when the trade mark application was filed, so that the proviso to section 3 applied, and the mark was validly registered for those goods, namely:

Light bulbs; energy saving light bulbs; LED light bulbs; halogen lamps; halogen light bulbs; fluorescent lamps; electric discharge lamps; luminous discharge lamps and light discharge tubes.

Approach to the appeal

6. It was common ground between the parties that this appeal is a review of the Hearing Officer's decision. Robert Walker LJ (as he then was) said of such appeals in *Reef Trade Mark* [2003] RPC 5 at [28]:

"...an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance to interfere in the absence of a distinct and material error of principle" see also *BUD Trade Mark* [2003] RPC 25).

7. The principles which apply to an appeal to the Appointed Person as to an appeal to the Court of Appeal were described by Lewison LJ in *Fine & Country Ltd v Okotoks Ltd* [2013] EWCA Civ 672, [2014] FSR 11, where he said:

"50. The Court of Appeal is not here to retry the case. Our function is to review the judgment and order of the trial judge to see if it is wrong. If the judge has applied the wrong legal test, then it is our duty to say so. But in many cases the appellant's complaint is not that the judge has misdirected himself in law, but that he has incorrectly applied the right test. In the case of many of the grounds of appeal this is the position here. Many of the points which the judge was called upon to decide were essentially value judgments, or what in the current jargon are called multi-factorial assessments. An appeal court must be especially cautious about interfering with a trial judge's decisions of this kind. There are many examples of statements to this effect. I take as representative Lord Hoffmann's statement in *Designers Guild Ltd v Russell Williams (Textiles) Ltd* [2000] 1 WLR 2416, 2423:

"Secondly, because the decision involves the application of a not altogether precise legal standard to a combination of features of varying importance, I think that this falls within the class of case in which an appellate court should not reverse a judge's decision unless he has erred in principle."

In addition, in *Fage UK Ltd & Anor v Chobani UK Ltd* [2014] EWCA Civ 5 Lewison LJ said:

"114. Appellate courts have been repeatedly warned, by recent cases at the highest level, not to interfere with findings of fact by trial judges, unless compelled to do so. This applies not only to findings of primary fact, but also to the evaluation of those facts and to inferences to be drawn from them. ... The reasons for this approach are many. They include:

- i) The expertise of a trial judge is in determining what facts are relevant to the legal issues to be decided, and what those facts are if they are disputed.
- ii) The trial is not a dress rehearsal. It is the first and last night of the show.
- iii) Duplication of the trial judge's role on appeal is a disproportionate use of the limited resources of an appellate court, and will seldom lead to a different outcome in an individual case.
- iv) In making his decisions the trial judge will have regard to the whole of the sea of evidence presented to him, whereas an appellate court will only be island hopping.

v) The atmosphere of the courtroom cannot, in any event, be recreated by reference to documents (including transcripts of evidence).

vi) Thus even if it were possible to duplicate the role of the trial judge, it cannot in practice be done.

115. It is also important to have in mind the role of a judgment given after trial. The primary function of a first instance judge is to find facts and identify the crucial legal points and to advance reasons for deciding them in a particular way. He should give his reasons in sufficient detail to show the parties and, if need be, the Court of Appeal the principles on which he has acted and the reasons that have led him to his decision. They need not be elaborate. There is no duty on a judge, in giving his reasons, to deal with every argument presented by counsel in support of his case. His function is to reach conclusions and give reasons to support his view, not to spell out every matter as if summing up to a jury. Nor need he deal at any length with matters that are not disputed. It is sufficient if what he says shows the basis on which he has acted. ...”

The Appeal

8. The Grounds of Appeal filed by Opus raised, in summary, 2 main points. First, that the Hearing Officer ought to have upheld the objection under s 3(1)(c). Secondly, that he was wrong to have found acquired distinctiveness on the basis of the limited evidence before him, and more particularly, that he had erred in assessing acquired distinctiveness by reference to the wrong date.

9. The TM55 and Grounds of Appeal were sent to the Proprietor's representatives on 4 April 2016. They filed a Respondent's Notice, but not until 24 May. I am not aware that any application was made to the UKIPO for an extension of time within which to file it. As a result, it seems to me that the Respondent's Notice was filed out of time. In any event, the main thrust of the Respondent's Notice was that the Hearing Officer had erred in his findings as to the inherent distinctiveness of the Mark. I consider that the Proprietor failed to identify any material error in the Hearing Officer's findings in that respect. Even if the Notice had been filed in time I should not have upheld found that the Hearing Officer erred in his assessment of the distinctiveness of the Mark.

Appeal as to the finding under s 3(1)(c)

10. I had some difficulty in seeing what value the point about the finding under s 3(1)(c) added to the appeal, given the Hearing Officer's clear views on the inherent unregistrability of the Mark

under s 3(1)(b). Mr Edenborough submitted that the Hearing Officer had erred in his approach under s 3(1)(c), by giving undue weight to the inclusion of the word “Company” in the Mark, and that this was relevant because it would have been necessary to produce better evidence of acquired distinctiveness had the Mark been found to be descriptive as well as devoid of distinctiveness. I do not accept that submission as such. However, the question of whether a mark has descriptive elements *is* relevant to the assessment of acquired distinctiveness. In Case C-342/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [1999] E.C.R. I-3819; [2000] F.S.R. 77 the CJEU said at [23]:

“In making that assessment [i.e. whether a mark is distinctive], 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.” (*Emphasis added*).

11. The Hearing Officer plainly did consider that the words Long Life and Lamp were all descriptive elements of the Mark, even if the Mark as a whole was redeemed for the purposes of s 3(1)(c) by the addition of the non-descriptive word Company. As long as that point is borne in mind, I can see no merit at all in reviewing the Hearing Officer’s findings under s 3(1)(c) whilst his findings under 3(1)(b) stand.

Appeal as to the finding of acquired distinctiveness.

12. At the heart of this appeal is the question of whether the Hearing Officer was right to find that the Mark had acquired distinctiveness by the date of the trade mark application. The Hearing Officer said at paragraphs 26-8:

“26 ... even if it is objectionable on a prima facie basis, the mark may have acquired a distinctive character through use. This is provided for in the proviso to section 3 which reads:

“Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

27. Furthermore, the proviso to section 47 is also relevant in invalidation proceedings, which reads:

“Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.”

28. The impact of the above is that if, at the date of filing, the mark had already acquired a distinctive character through use then the proviso to section 3 is applicable. However, even if this were not the case, and the subject mark has acquired a distinctive character since it was registered, the proviso to section 47 is applicable.”

13. Opus did not suggest that the Hearing Officer had misdirected himself as to how acquired distinctiveness may be established. The Hearing Officer had cited the usual guidance from the CJEU in Joined Cases C-108 & C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779; [2000] Ch 523:

““51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: 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 class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages.”

14. According to Lewison LJ in *Fine & Country (supra)* at [106], the principles from *Windsurfing* and *Lloyd (supra)* require a "structured analysis" of the “inherent characteristics of the mark; the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered” must be considered together with the factors identified in [51] of *Windsurfing*. Nevertheless, paragraph [51] makes it clear that no straitjacket is imposed

upon the tribunal assessing distinctiveness, which must undertake a qualitative assessment, taking into account such of those factors as are known to it. That is, it seems to me, clear from *Premier Luggage and Bags Ltd v Premier Company (UK) Ltd*, [2002] EWCA Civ 387, [2003] F.S.R. 5 which was relied upon by the Proprietor as authority for the proposition that it is not necessary to provide evidence of the overall size of the relevant market, and hence of market share, in order to satisfy the *Windsurfing* criteria. The principle is also clear from the manner in which acquired distinctiveness was assessed by the judge at first instance in *Fine & Country*, albeit additional factors were relied upon before the Court of Appeal. Lewison LJ concluded at [110]

“Although the judge did not precisely follow the structure of the *Windsurfing* judgment, the factors that he mentioned (supplemented by the additional material that Mr Hicks showed us) were those that the ECJ referred to. His assessment was (as it was required to be) a qualitative rather than a quantitative assessment. He found as a fact that by 2009 the marks were highly distinctive. In my judgment no error of principle has been demonstrated such as would entitle this court to interfere with the judge’s assessment of acquired distinctiveness.”

15. The Proprietor’s evidence was provided by a single witness statement from its director, Mr Bilwinder Mann. Quite a lot of additional detail was provided in the Proprietor’s written submissions but the Hearing Officer, very properly, did not rely upon those points as if they had been part of the evidence before him. Mr Mann stated that he was a director of the Proprietor and of Energy Light Bulbs Limited and stated that the witness statement was made on behalf of both companies, but he did not explain the nature of the connection between the two companies, nor the relevance of giving evidence on behalf of Energy Light Bulbs Limited. The body of the witness statement simply described the exhibits, in somewhat general and sometimes confusing terms. For instance, Mr Mann described BM4 as Google analytics information showing organic search results for “the Owner’s website” for the period 20 Jun 2009 – 20 July 2014. However, the exhibit itself gave the information for the website ww.energylightbulbs.so.uk, which presumably belongs to Energy Light Bulbs Limited rather than to the Proprietor itself.
16. Many of the most important matters of evidence were set out in Mr Mann’s Exhibit BM12, which he described as a “Trading history and figures of the Owner and other companies for

goods under the Contested Mark.” The exhibit contains two pages describing the “Background of Trading.” Presumably that narrative was in Mr Mann’s words, although he did not say so.

17. I did have some concerns as to what weight it is appropriate to give to a statement made in this manner, but I have come to the conclusion that it would be right to treat the statement as being verified by the statement of truth of the witness statement to which it is exhibited. Nevertheless, as a general rule, it is obviously far preferable for important evidence as to the history of trading under a mark to be set out in the body of a witness statement so that it is clear that the evidence is provided from the witness's own knowledge, is in his own words and is verified by his statement of truth.
18. In any event, the narrative explained that Mr Mann started trading as “Strictly Lamps” in 2007 and gave some clues as to the connection between the Proprietor and Energy Light Bulbs Limited. The Proprietor was incorporated in 2007 and seems to have started trading in 2008, as the earliest turnover figures were given for the year ending 30 September 2009. The narrative explained that the Proprietor sourced the goods sold under the Mark and these were sold by “Strictly Lamps” and by “the parallel company” Energy Light Bulbs Limited, which was incorporated in 2010. It also stated that the Proprietor’s turnover increased from £104,147 for Y/E 2009, year on year to £1,427,839 for Y/E September 2013, that is less than 3 months before the application was made to register the Mark. No figures were given for the Proprietor’s turnover in 2014. The company accounts for the Proprietor which Mr Mann also exhibited show that almost all of the turnover was generated by sales to Energy Light Bulbs Ltd (e.g. £823,732 of the Proprietor’s total sales of £828,224 in 2012). The company accounts describe the Proprietor’s business as “wholesale of electrical goods.”
19. Energy Light Bulbs’ turnover figures were also set out, and its company accounts were exhibited. Turnover rose from £757,962 for the year ending March 2011 to £2.6m for the Y/E March 2013, with a further increase to £3.7m for the Y/E March 2014.
20. The narrative did not explicitly state that all of the two companies’ turnover related to goods within the specification and sold under the Mark, although that may be implicit at least for Energy Light Bulbs Ltd in the references to its “capture of the market share of the LED bulb industry in the name of “Long Life Lamp Company”.” I also note that Energy Light Bulbs Ltd’s company accounts describe its principal activity as the sale of electrical energy bulbs, and the exhibits included some statements to it from Amazon.co.uk showing that it was selling goods

under the Mark, and giving turnover for sample months, such as £74,542 (net) earned in March 2013. The narrative also set out Energy Light Bulbs' advertising expenditure on products under the Mark, and some of the company accounts which are also exhibited indicate that the advertising on such products took the lion's share of the company's advertising and promotion spending (e.g. £94,068 of the 2013 expenditure of £98,125).

21. Opus submitted that the evidence was unsatisfactory, and that the Hearing Officer erred in his analysis of it, challenging his conclusion that it showed that the Mark had acquired distinctiveness. In particular, Opus's Grounds of Appeal challenged the following points in the Hearing Officer's analysis of acquired distinctiveness
- a. the Hearing Officer had not been provided with any information as to the size of the relevant market, so as to be able to assess the Proprietor's market share for goods under the Mark,
 - b. there was no breakdown of sales between goods sold under the Mark and those sold under other marks,
 - c. there was no breakdown of the various different goods sold,
 - d. the finding that there had been trade mark use of the Mark was inconsistent with the finding that it was inherently non-distinctive,
 - e. there was no evidence showing that the Mark had become distinctive to the public, and
 - f. the Hearing Officer was wrong to find that the Mark had acquired distinctive character by the date of filing.

A number of further points were raised in Mr Edinburgh QC's skeleton argument on the appeal, which were not expressly foreshadowed in the Grounds of Appeal. These related to

- g. a query as to the length of time for which the Mark had been used, and
- h. a variety of points about the alleged inadequacies in the evidence about advertising, especially as to keyword searches.

In my view point (g) was not raised in the Grounds of Appeal and I should not permit Opus to rely upon it at this stage. The points about the alleged inadequacies in relation to advertising however might however be said to fall within the more general issue about the lack of evidence of public perception of the Mark, and I will therefore deal with them below.

22. The Hearing Officer's findings on acquired distinctiveness were as follows:

"35. Miss McCormick took me through some of the [evidence]. Her submission was that the evidence showed that not only was the use long-standing, but that significant sales

and profit had been made with reference to goods sold under the mark, as well as significant sums being spent on marketing. In relation to the nature of use, she felt that the use alongside the logo was not of concern as more weight, in such scenarios, would be placed on the word element. She also stressed that the goods in question were low-cost items which gave even greater significance to the sales figures that had been provided.

36. One of Mr Edenborough's criticisms was that other marks may have been used by the proprietor. This stems from a written submission made by Ms McCormick ... Add "some of the owners evidence relates to use of the Contested Marking a stylised format." However, this is clearly not a reference to another type of mark, instead, it is a reference to the composite type of use [... *see below* ...] which represents the main form shown in the evidence. Other criticisms include that there is no market share evidence for a market which is no doubt quite large. Further, the impact of any marketing is not known. In his skeleton argument, criticism was also made of the probity of Mr Mann's evidence given that the proprietor's website refers to having traded for 18 years when, in fact, this is not true, the business having started in 2007.

37. I do not intend to disregard or lessen the weight of Mr Mann's evidence due to a potentially erroneous indication as to length of trade on the proprietor's website. Mr Mann has provided numerous examples of documentary evidence setting certain things out. The question, though, still arises as to what can be taken from those things. The test is of a significant proposition [*sic*] of the relevant public. Whilst Mr Edenborough correctly identified that no evidence of market share has been provided, the provision of such evidence, even though I agree that it would have been helpful, cannot be regarded as a prerequisite. The evidence must be considered as a whole. In terms of the marketing, there is no evidence of the type of campaigns (if any) that were run. However, it may be the case, indeed is likely to be the case, that much of this was spent on Internet marketing, as evidenced by the AdWord expenditure etc. Whilst this may not be traditional advertising, it is something which helps the business to gain sales. The proof of the pudding, though, is in the eating. It seems to me that the level of sales set out in the evidence would represent sales to a significant enough proportion of the relevant public to have the potential for the acquired distinctiveness test to be met. I have guarded against adding the sales figures for all the related companies together. This is because some sales are made to each other (for example, sales by the proprietor to Energy Light

Bulbs Limited) which would result in double counting. Nevertheless, I am still satisfied that the sales have potential for the test to be met.

38. The reason I use the word “potential” is due to the nature of the use. As already stated, the primary use appears to be of the composite sign as detailed earlier, although, I accept that there are some uses of the mark alone. Having considered the case-law quoted earlier, and having regard to the submissions made to me ... my view is that the use made will be taken as trade mark use. The word element will be seen, effectively, as the name of the manufacturer responsible for the goods. Regardless of the form of use, the words perform the essential distinguishing function.”

A Lack of information as to the size of the relevant market

23. For the reasons I have given above, it does not seem to me that the fact that the Hearing Officer did not have any direct information as to the size of the relevant market or as to the size of the Proprietor's market share means that his conclusions as to acquired distinctiveness must be incorrect. This is not a binary question, and what is clear is that the Hearing Officer took into account a variety of factors in coming to his conclusions in paragraph 37. The question on the appeal is whether the Hearing Officer was not in a position to have come to the conclusion that he did on acquired distinctiveness, taking the various aspects of the evidence properly into account.

B No breakdown of sales between goods sold under the Mark and those sold under other marks

20. The second submission made on behalf of Opus on the appeal was that the Hearing Officer had made a material error in finding that there had been use of the Mark when much of the evidence showed its use alongside a device. Certainly, one can see from Mr Mann's exhibits that the packaging of the Proprietor's goods and its website used the Mark fairly consistently with a device (“the Globe device”), shown below:



21. The exhibits provided to me were printed in black and white. Whilst I assume that they were actually used in colour, the evidence did not (as far as I am aware) show what colours were used on the device.

22. In some examples, the Globe device was used in line with and to the left of the Mark, in others it was used alongside the Mark, but was larger than the font used. For instance, one of Mr Mann's exhibits shows the packaging of an LED night light, this has the words Zenon Lighting

Collection on one line, above the words of the Mark, the Globe device is to the left of the words and is as high as the two lines of print. In other exhibits, the Globe device is used above the name, and is larger than the size of font used.

23. In the circumstances, Opus argued that the evidence did not show that the Mark had acquired distinctiveness, because the evidence really showed a lot of use of the Mark in combination with the Globe device. It said that it was, therefore, impossible to say whether any acquired distinctiveness had been acquired by the Mark alone.
24. The Hearing Officer considered this point in his decision. He set out the relevant law, and Opus does not suggest that he made an error in that regard. He said:

“31. As will be seen later, the subject mark is often used alongside a particular device element, which could be seen as creating a single composite mark. However, I bear in mind that the use of a mark may acquire a distinctive character as a result of it being used as part of, or in conjunction with, another mark. In *Société des Produits Nestlé SA v Mars UK Ltd*, Case C-353/03, the CJEU held that:

“The distinctive character of a mark referred to in Article 3(3) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks may be acquired in consequence of the use of that mark as part of or in conjunction with a registered trade mark.”

32. Although dealing with non-conventional trade marks, the following guidance is also helpful in understanding the relevant test. In Case C-215/14, *Société des Produits Nestlé SA v Cadbury UK Ltd*, the CJEU considered a preliminary reference from the High Court which sought guidance about the legal test for showing that a trade mark had acquired a distinctive character. The CJEU understood the question as follows:

“By its first question the referring court asks, in essence, whether an applicant to register a trade mark which has acquired a distinctive character following the use which has been made of it within the meaning of Article 3(3) of Directive 2008/95 must prove that the relevant class of persons perceive the goods or services designated exclusively by that mark, as opposed to any other mark which might also be present, as originating from a particular company, or whether it is sufficient for that applicant to prove that a significant proportion of the relevant class of persons recognise that mark and associate it with the applicant’s goods.”

The CJEU answered the question in these terms:

“In order to obtain registration of a trade mark which has acquired a distinctive character following the use which has been made of it within the meaning of Article 3(3) of Directive 2008/95, regardless of whether that use is as part of another registered trade mark or in conjunction with such a mark, the trade mark applicant must prove that the relevant class of persons perceive the goods or services designated exclusively by the mark applied for, as opposed to any other mark which might also be present, as originating from a particular company.”

In the High Court, Arnold J. stated that he understood this to mean that:

“...in order to demonstrate that a sign has acquired distinctive character, the applicant or trade mark proprietor must prove that, at the relevant date, a significant proportion of the relevant class of persons perceives the relevant goods or services as originating from a particular undertaking because of the sign in question (as opposed to any other trade mark which may also be present).”

Additionally,

“...it is legitimate for the competent authority, when assessing whether the applicant has proved that a significant proportion of the relevant class of persons perceives the relevant goods or services as originating from a particular undertaking because of the sign in question, to consider whether such persons would rely upon the sign as denoting the origin of the goods if it were used on its own.”

33. The final point I note before coming to the evidence filed is that it may be more difficult to prove distinctiveness of a non-distinctive sign if used with other distinctive marks. In *Audi AG, Volkswagen AG v OHIM*, Case T-318/09, the General Court stated that:

“73. in the advertising material submitted by the applicants and included in the administrative file, the sign TDI always appears with another mark belonging to the applicants, such as the trade marks Audi, VW or Volkswagen. The Court has, however, held on numerous occasions that advertising material on which a sign which is devoid of any distinctive character always appears with other marks which, by contrast, do have such distinctive character does not constitute proof that the public perceives the sign applied for as a mark which indicates the commercial origin of the goods (Shape of a beer bottle, cited in paragraph 41 above, paragraph 51, and Shape of a lighter, cited in paragraph 27 above, paragraph 77). In any event, by quoting an internet site indicating that the Spanish public perceives the sign TDI as an abbreviation which refers to the type of direct fuel-injection diesel engine, irrespective of the car manufacturer, the Board of Appeal established that, despite all the applicants’

advertising efforts in Spain, the relevant public did not perceive that sign as identifying the commercial origin of the goods in question, but as a descriptive and generic term.”
Each case must, though, be considered on its own merits.”

25. Opus was, to my mind, undoubtedly justified in saying that the Mark had been used extensively, if not solely, with the Globe device, indeed, at paragraph 38 of the decision, the Hearing Officer described this as the primary use of the Mark. However, it does not seem to me that it follows that the Mark was not *used* when use was of the composite mark, but, as the Hearing Officer said, the issue was whether use of the Mark in such circumstances would have been taken (essentially) as trade mark use, that is as identifying the origin of the goods. The Hearing Officer concluded that it was, See his paragraph [38], set out above.
26. It seems to me that there is no error of principle in that analysis, nor any material error of fact. In my judgment, the conclusion which the Hearing Officer reached was one which it was open to him to reach.
27. Somewhat similarly, Mr Edenborough QC submitted that the evidence showed some use of “Long Life Lamp Company Limited” as a mark and that the Hearing Officer should have taken this into account also. It seems to me doubtful that the evidence showed any such use by way of trade mark use – the bulk of the evidence certainly showed trade mark use of the Mark without “Ltd” whether with or without the Globe device. I do not consider that the Hearing Officer fell into error in ignoring such use, or failing to distinguish it from other uses of the Mark properly speaking.

C No breakdown between the various goods sold

28. Opus’s complaint was pleaded on the basis that the evidence did not show which of the goods in the specification the Mark had been used for, and so for which of them it might have acquired distinctiveness. I do not find that a very persuasive point, because it seems to me clear from paragraph 38 of the decision that the Hearing Officer distinguished between goods in the specification which could be described as lamps (in the sense of light bulbs) as opposed to goods which are more properly light fittings, or apparatus, and parts. That was the basis upon which he deleted parts of the specification leaving the specification set out at paragraph 5 above.
29. At the hearing of the appeal, this was presented as a complaint about the way in which the Hearing Officer had gone about deleting parts of the specification. Subject to a point about

the concession made by the Proprietor which I discuss next, it does not seem to me that there is any force in this point, because it is clear that the Hearing Officer had sought to remove any light fittings/apparatus from the specification as well as any duplication of terminology.

30. There is, however, in my view, some force in Opus's point about the concession made by the Proprietor. In written submissions to the UK IPO on 14 December 2014 and again in submissions made on 5 February 2015, the Proprietor stated that the specification of the Mark was wider than the majority of its business. In December it said

"Without any admission of any of the arguments put forward by [Opus], the [Proprietor] acknowledges that its specification is wider than is correct to accurately describe the majority of [its] business under the Contested Mark, which is limited to bulbs and LED apparatus only plus the 'halide' lamps and lamp holders shown on its website.

In this regard, [the Proprietor] would be happy, if required to do so for the purposes of these proceedings, to remove the remaining irrelevant terms that do not apply to bulbs, namely: "Apparatus for lighting; commercial lighting apparatus; compact fluorescent lights and lamps; fluorescent lamps; fluorescent lights; electric discharge lamps; luminous discharge lamps; lamp holders.

This would leave:

Light bulbs; energy saving light bulbs; light-emitting diodes [LED] lighting apparatus; LED light bulbs; LED light fittings; LED light machines; halogen lamps; halogen light bulbs; light discharge tubes; lamp holders; parts and fittings for all the aforesaid goods."

Very similar points were made in the February 2015 submissions

31. Opus submitted that these concessions *inter alia* amounted to an admission that the Proprietor had not used the Mark in relation to the goods which it was prepared to delete from its specification. This seems to me a fair reading of the concession and it is of some concern to me that the Hearing Officer did not mention that point in paragraph 38 of the decision. It seems to me that had he done so, he would have concluded that the Mark had acquired distinctiveness in relation to a slightly narrower specification of goods than he set out at the end of paragraph 38. I consider that he would have found no use of and accordingly deleted fluorescent lamps, electric discharge lamps and luminous discharge lamps. Failing to take that concession into account appears to me to be a material error in the decision, and in my view the appeal succeeds on this point and to that limited extent.

D The finding of trade mark use of the Mark was inconsistent with the finding that it was inherently non-distinctive

32. It does not seem to me that there is any force in this point. Were it otherwise, no inherently non-distinctive trade mark could ever benefit from the proviso to section 3. The whole point of the proviso is that making sufficient use of an inherently non-distinctive mark can endow it with acquired distinctiveness, and so save an otherwise invalid registration.

E No evidence showing that the Mark had become distinctive to the public

33. The manner in which a proprietor may prove satisfactorily that an inherently non-distinctive mark has become distinctive to the public is, as I have mentioned above, flexible in terms of balancing the available evidence of the various factors summarised by Lewison LJ. For example, in *Premier Luggage*, the trade mark proprietor called evidence from a number of traders to show that the mark was distinctive, which, in the qualitative analysis carried out by the judge, counter-balanced the lack of specificity about market share. In *Fine & Country*, the factors relied upon included disclosure of examples of references to the Fine & Country business by others, the evidence of witnesses of confusion and of industry awards recognising the Fine & Country brand.

34. The factors relied upon by the Hearing Officer in concluding that the Mark (which he otherwise concluded was inherently non-distinctive and largely descriptive) had acquired distinctiveness were the scale of the sales made by the Proprietor, and the sums spent on marketing the goods. The Hearing Officer concluded that there must have been sales to a significant enough proportion of the relevant public to have the potential for the Mark to have acquired distinctiveness.

35. On the appeal Mr Edenborough QC criticised some of the evidence about sales figures, in part because of the concern about double counting of sales from the Proprietor to Energy Light Bulbs Ltd and then of Energy Light Bulbs Ltd to the public, but also because invoices from the Proprietor to Energy Light Bulbs Ltd appeared to show sales of a very small number of very high value items. The Hearing Officer said that he discounted the first these points, and I see no reason to doubt what he said; it seems to me that he was entitled to take the view that the turnover figures disclosed for the Proprietor alone, the majority of which were at wholesale value, were sufficiently high to justify his conclusions. It seems to me that whatever the shortcomings of Mr Mann's evidence, there were documents before the Hearing Officer which

showed a substantial turnover having been generated by the sale of goods under the Mark, particularly as the evidence made it clear that most of the Proprietor's sales were made on a wholesale basis to Energy Light Bulbs Ltd, so that the sums in question reflected wholesale prices. In addition, there were documents showing quite substantial sums being earned by Energy Light Bulbs Ltd in 2013 by the sale of goods through the Amazon website. The Hearing Officer did not expressly say that he took into account the fact that the goods are low cost items, but there was evidence before him, for example in the documents from Amazon, showing that such was the case, alternatively it is certainly something of which he might have taken judicial notice.

36. The point about the invoices from the Proprietor to Energy Light Bulbs Ltd does not seem to me to be significant, because I suspect that they reflect the sale of goods by reference to a container or similar large shipment, rather than individual goods, and because the Hearing Officer does not appear to have relied upon them.
37. All in all, I conclude that the Hearing Officer was in a position to find that the figures represented sales of a large volume of goods, and so represented sales to a sufficiently significant proportion of the relevant public.
38. At paragraph 37, the Hearing Officer said that in addition to the sales figures, he relied upon the marketing figures which had been provided by the Proprietor. He appreciated (correctly, as it seems to me, looking at the accounts and other exhibits) that most of the marketing spend had been upon Internet marketing and in particular purchasing adwords, and he took the view that this would have helped the business to gain sales.
39. That conclusion was challenged by Opus on the basis of the paucity of evidence as to the efficacy of such advertising and the purchase of the adwords. One of Mr Mann's exhibits seemed to show the conversion rate of quite a variety of keywords to page impressions for two periods in 2013, yet showed very few of the keywords listed generating any business at all for Energy Light Bulbs' website, and no click-throughs at all on terms consisting of the Mark or variations upon it. Another exhibit, a Google report, showed "organic search traffic" in terms of visits to Energy Light Bulbs' website following searches by reference to the Mark and of other variations on the Mark, some of which may have reflected purely descriptive use. I am wary of making any finding as to what this exhibit showed, in the absence of proper

evidence explaining it, but it appeared to have led to a tiny number of site visits, and an insignificant amount of revenue.

40. The Hearing Officer nevertheless found, in effect, that the money spent in advertising the goods must have had some impact, by reason of the sales figures which had been generated and which had increased significantly year on year. That advertising may not, it seems to me, have made any or prominent use of the Mark itself, if much of it consisted of the purchase of keywords which described the properties of the goods, rather than used the Mark itself. Nevertheless, the evidence shows that the goods bought as a result of such marketing efforts will have borne the Mark as a trade mark upon them. Such marketing efforts are therefore likely to have generated business under the Mark and will have resulted – indirectly – in the Mark being brought to the attention of the public.
41. Mr Edenborough QC pointed out that the evidence from Opus’s trade witnesses suggested that they did not know the Mark as a trade mark denoting the Proprietor’s goods, but he fairly accepted at the hearing that this was the evidence of a few individuals (however well versed in the trade) and he acknowledged the difficulty of proving a negative in this way. I accept that the Hearing Officer did not explain his views about this evidence, but it does not seem to me that his failure to do so represents a material error in his decision (see [115] of *Fage v Chobani, supra*).
42. In the circumstances, whilst it seems to me a case in which another Hearing Officer might have reached a different conclusion, it does not seem to me that this Hearing Officer made a material error in concluding that the Mark had acquired distinctiveness.

F The Hearing Officer was wrong to find that the Mark had acquired distinctive character by the date of filing.

43. Opus’s last point related to paragraph 39 of the decision. The Hearing Officer said:
“39. It does not really matter whether the mark had acquired a distinctive character at the filing date or since registration. For the record, though, my finding is that the test was met at the date of application (for the subject mark).”

Opus complained that in coming to his conclusions the Hearing Officer had nevertheless referred to and relied upon evidence which post-dated the date of filing. It is true that the Hearing Officer, when summarising the Proprietor’s evidence, mentioned some of the figures

which post-dated the date of application (July 2013), however it is not at all clear that he relied upon any of those figures in the conclusions he reached at paragraph 37. It seems to me that the turnover and advertising figures showed significant increases up to the date of filing. In the circumstances, I do not think that it is at all clear that the Hearing Officer relied upon trading in the period between the date of filing (July 2013) and the date of the invalidity application (July 2014) when reaching the conclusion set out in paragraph 39. I decline to find that this was a material error on his part.

Conclusion

43. For all these reasons, I dismiss the appeal, save that I find that the Hearing Officer ought to have found the Mark had acquired distinctiveness only in respect of:

Light bulbs; energy saving light bulbs; LED light bulbs; halogen lamps; halogen light bulbs; and light discharge tubes.

44. The Proprietor has broadly succeeded resisting the appeal and the costs order should reflect this, but must also reflect the costs spent by Opus in dealing with the Respondent's Notice, which was out of time. On balance, I will order Opus to pay the Proprietor the sum of £800 in relation to its costs of the appeal, to be paid in addition to the £1200 awarded by the Hearing Officer. Both such sums are to be paid by 5 PM on 5 September 2016.

Amanda Michaels
The Appointed Person
16 August 2016

Ms Katherine McCormick of Trade Mark Direct, appeared for the Proprietor

Mr Michael Edenborough QC, instructed by **Dehns**, appeared for the appellant, Opus.