

IN THE MATTER OF THE TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK NO 3,162,387 IN THE NAME OF WORK WELL MATS LIMITED

IN THE MATTER OF AN APPLICATION FOR INVALIDATION BY WEARWELL INC

AND IN THE MATTER OF AN APPEAL FROM THE DECISIONS OF ANN CORBETT DATED 15 MAY 2018 (O/292/18)

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DECISION

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**Introduction**

1. This is an appeal from the decision of Ann Corbett, for the Registrar, dated 15 May 2018 in which she dismissed the application of Wearwell Inc to declare trade mark number 3,162,387 invalid under sections 5(2)(b) and 47 of the Trade Marks Act 1994. Wearwell appeals that decision.
2. The registered trade mark in issue (No 3,162,387) is for the word mark “work well mats” for the following goods in classes 17 and 27:
  - Class 17**  
Insulating mats; Insulating matting; Adhesive tapes for use in securing floor coverings; Parts and fittings for all the aforesaid goods.
  - Class 27**  
Mats; Non-slip mats; Underlay for mats; Carpets, rugs and mats; Textile floor mats for use in the home; Non-slip floor mats for use under apparatus; Matting; Matting [for covering existing floors]; Floor coverings; Protective floor coverings; Coverings for existing floors; Hard surface coverings for floors; Anti-slip material for use under floor coverings; Parts and fittings for all the aforesaid goods.
3. The application for a declaration of invalidity was based on two earlier trade marks. The first was an international registration (No 1,201,054):



4. This mark is protected in Class 27 for:
  - Anti-fatigue floor mats; anti-slip floor mats made primarily of rubber or pvc; floor mats.
5. The second mark is an EUTM (No 4,207,346) for WEARWELL and is registered in Class 27. That mark is more than five years old and, after proving use, the Hearing Officer found use in relation to the following goods only:
  - Floor coverings; mats and matting for industrial use; safety, anti-fatigue and floor mats for industrial use.
6. The finding in relation to proof of use has not been challenged by either party.

## Standard of appeal

7. The principles applicable on appeal from the registrar were considered in *TT Education Ltd v Pie Corbett Consultancy* [2017] RPC 17 by Daniel Alexander QC sitting as the Appointed Person. Mr Alexander summarised the position at paragraph 52 of his Decision (I made a few minor updates to this summary in *Grill’O Express* (O/140/17), paragraph 6, which I have incorporated in square brackets):

52. Drawing these threads together, so far as relevant for the present case, the principles can therefore be summarized as follows.

- (i) Appeals to the Appointed Person are limited to a review of the decision of Registrar (CPR [52.21]). The Appointed Person will overturn a decision of the Registrar if, but only if, it is wrong ([...][CPR 52.21]).
- (ii) The approach required depends on the nature of decision in question (*REEF*). There is spectrum of appropriate respect for the Registrar’s determination depending on the nature of the decision. At one end of the spectrum are decisions of primary fact reached after an evaluation of oral evidence where credibility is in issue and purely discretionary decisions. Further along the spectrum are multi-factorial decisions often dependent on inferences and an analysis of documentary material (*REEF, DuPont*).
- (iii) In the case of conclusions on primary facts it is only in a rare case, such as where that conclusion was one for which there was no evidence in support, which was based on a misunderstanding of the evidence, or which no reasonable judge could have reached, that the Appointed Person should interfere with it (*Re: B and others*).
- (iv) In the case of a multifactorial assessment or evaluation, the Appointed Person should 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. Special caution is required before overturning such decisions. In particular, where an Appointed Person has doubts as to whether the Registrar was right, he or she should consider with particular care whether the decision really was wrong or whether it is just not one which the appellate court would have made in a situation where reasonable people may differ as to the outcome of such a multifactorial evaluation (*REEF, BUD, Fine & Country and others*).
- (v) Situations where the Registrar’s decision will be treated as wrong encompass those in which a decision is (a) unsupportable, (b) simply wrong (c) where the view expressed by the Registrar is one about which the Appointed Person is doubtful but, on balance, concludes was wrong. It is not necessary for the degree of error to be “clearly” or “plainly” wrong to warrant appellate interference but mere doubt about the decision will not suffice. However, in the case of a doubtful decision, if and only if, after anxious consideration, the Appointed Person adheres to his or her view that the Registrar’s decision was wrong, should the appeal be allowed (*Re: B*).
- (vi) The Appointed Person should not treat a decision as containing an error of principle simply because of a belief that the decision could have been better expressed. Appellate courts should not rush to find misdirections warranting reversal simply because they might have reached a different conclusion on the facts or expressed themselves differently. Moreover, in evaluating the evidence the Appointed Person is entitled to assume, absent good reason to the contrary, that the Registrar has taken all of the evidence into account. (*REEF, Henderson and others*).

Bearing in mind the repeated reminders that different points are likely to be particularly relevant in other cases, this is not intended to be a summary of universal application for other cases where particular aspects of the approach may require different emphasis.

8. When sitting in the High Court and following the decision of the Outer House in *CCHG Ltd (t/a Vaporized) v Vapouriz Ltd* [2017] ScotCS CSOH 100, Mr Alexander considered the term “wrong” and “plainly wrong” once more in *Abanka DD v Abanca Corporacion Bancaria SA* [2017] EWHC 2428 (Ch):

Others courts have indicated, in the context of the issues they were considering, that such terminology is better avoided. Regardless of the language used, the real question, as all the cases

say, is whether the decision in question was wrong in principle or was outside the range of views which could reasonably be taken on the facts (to adopt the formulation in *Rochester* [O/49/17] at [34]). It is important not to let discussion over qualifiers of this kind distract from the central idea of appellate restraint, expressed throughout the case law: a tribunal should not conclude that a decision is wrong, simply because it would not have decided the matter that way. That is a necessary, but not sufficient, condition for appellate reversal. The English (and in the light of *Vaporized*, Scottish) approach provides for appellate discipline in situations where there is no reason to consider that an appellate tribunal is better placed to make the evaluation than the Registrar from whom the appeal is brought. Against that background, the use of the term “plainly wrong” or “clearly wrong” can serve as a reminder of the height of the bar, without acting as a straightjacket for appellate tribunals.

9. I will apply these principles.

### **The grounds of appeal**

10. The Appellant had four grounds of appeal: first, in relation to the Hearing Officer’s finding on honest concurrent use; secondly, a failure by the Hearing Officer to consider witness credibility; thirdly, the Hearing Officer not giving proper weight to the evidence of actual confusion; and fourthly, the Hearing Officer misapplying C-361/04P *The Picasso Estate v OHIM* [2006] ECR I-643.

### **Honest concurrent use**

11. In relation to the first ground, the finding on honest concurrent use, it became clear at the hearing that Mr Downing was not suggesting that any particular finding by the Hearing Officer was incorrect, but that she had not properly considered the issue. This failure to examine the matter, he said, was demonstrative of the Hearing Officer’s overall failure to properly consider the issues in the case. I can dismiss this point quite quickly. I do not think the Respondent’s argument of honest concurrent before the Hearing Officer had any merit and she was quite right to reject it summarily (see Decision, paragraph 57).

### **“Evidence” of actual confusion**

12. The second ground of appeal, and the central argument of the Appellant, was that there was evidence of actual confusion and this was not given adequate weight by the Hearing Officer. Mr Downing relied on two incidents of what he described as actual confusion. The first incident was an email from an Elaine Thompson with the Subject “Enquiry” and the following text:

“Please quote price and delivery

16 off Dura Ted mats 1.2m x 3 metres

Kind Regards”

13. The second incident was recalled by Ms Power, an employee of the Appellant, and was summarised by the Hearing Officer at paragraph 60 of her Decision:

In her evidence in reply, Ms Power also refers to what she considers is an incidence of actual confusion. She states that in January 2017 her company received an order from a company which had an account with it. Despite being an account holder, the customer had asked to be sent a pro forma invoice for payment. Ms Power states that the order form was made out in favour of Barclaycard Customer Services (“BCS”). She states she contacted the customer to query the order and was told by whoever dealt with her call that BCS was routinely put on orders in circumstances

where it had no account set up with the supplier. Ms Power states that as the order also had the reference “HM-WORKWELL” this led her to believe that the customer had confused WORKWELL with her company.

14. Mr Downing relied on a paragraph 23-019 in *Kerly* (16<sup>th</sup> Ed, 2017) as to the relevance of actual confusion:

Proof of actual deception, if the mark is in the opinion of the tribunal likely to deceive, is unnecessary. Nevertheless, if one or more cases of actual deception are made out to the satisfaction of the court, this will, of course, afford very strong evidence that the resemblance between the marks in question is so close as to be likely to deceive.

15. Thus, Mr Downing says these two incidents are of actual confusion and this was “strong evidence” that there would be a likelihood of confusion for the purposes of section 5(2). Before looking at the evidence in this case it is important to remember that the courts have routinely held that the issue of confusion is an issue for the judge and not witnesses: *Electrolux v Electrix (No 2)* (1954) 71 RPC 23 at 31 per Evershed MR; *Neutrogena v Golden* [1996] RPC 473 at 482, Jacob J.

16. In any event, I do not need to consider the issue of how much weight should be given to evidence of actual confusion. This is because, as I will now explain, I do not think the evidence presented by the Appellant was sufficient to demonstrate that there had been any incident of actual confusion.

17. The email of Ms Thompson could have been sent to the Appellant for numerous reasons. First, it might have been (as the Appellant suggests) that she believed the Appellant and the Respondent were linked or the same company. Secondly, it may have been (as the Respondent suggests) asking for a comparative quote. Thirdly, she may have mistyped the address due to predictive addressing on her email software or otherwise. Fourthly, she could be confused as to where Nick Hopton (the recipient of the email at the Appellant) worked. This confusion may or may not be related to the names of the respective companies. Fifthly, she could be confused as to who sells Dura Tred. Once more this confusion could result from the names of the respective companies or some other factor (in other words, such confusion could have arisen even when the names of the companies had absolutely no similarity).

18. I am sure more possibilities of why this email was sent could be conceived. What these various factors show is that confusion between the two trade marks (WEARWELL and WORK WELL MATS) is only *one* of a number of possibilities why Ms Thompson sent her email. In other words, the email alone is simply not enough to demonstrate that there was actual confusion.

19. As I mentioned at the hearing, the Appellant had the email address of Ms Thompson and could have contacted her to see if she was willing to explain why she sent the email and what she believed at the material time. In the absence of a witness statement from Ms Thompson, the Hearing Officer had to decide what the email itself demonstrated. She concluded that it was “possible” that the email showed Ms Thompson was confused (Decision, paragraph 62). The other things set out in paragraph 17 above are also “possible” and there are probably other possibilities that could be devised. In short, in

my judgment, the Hearing Officer would have been wrong to conclude that the email was sufficient in itself to demonstrate on a balance of probabilities that Ms Thompson was actually confused in a material way.

20. The second incident of actual confusion according to the Appellant was the use of the reference “HM-WORKWELL” by an unnamed customer. This evidence has all the same shortcomings as Ms Thompson’s email with the additional problem that the customer in question could not be identified.

21. Accordingly, the Hearing Officer was right to reject these two incidents as evidence of actual confusion. There were simply too many unknowns to do otherwise. Her conclusion in this respect appears in paragraph 62 of her Decision:

I accept that it is possible that both Ms Thompson and the person placing the order referred to by Ms Power were confused but the test under section 5(2)(b) of the Act is one that requires me to consider the likelihood of confusion not the possibility of confusion. I have to consider both direct confusion (where one mark is mistaken for another) and indirect confusion (where the average consumer realises the marks are different but, because of the similarities in the context of the latter mark as a whole, concludes that it is another brand of the owner of the earlier mark).

22. This paragraph of the Hearing Officer’s decision was very confusing as it appears to conflate the evidential question (that confusion over the two marks was one of the possible reasons for email and reference) with the legal standard of confusion in section 5(2)(b). While the expression is unfortunate, the underlying reasoning appears clear. The Hearing Officer was saying that the evidence put forward by the Appellant was insufficient to assist in reaching the standard required under section 5(2).

23. Finally, as indicated in paragraph 15, even if these incidents of actual confusion had been proved it would not have led to the Hearing Officer being compelled to conclude that there was a likelihood of confusion for purposes of section 5(2). Accordingly, the third ground of appeal is dismissed.

### **Witness credibility**

24. The second ground of appeal was really tied up with the third ground. In summary, the complaint of the Appellant was that the evidence of Nick Hopton was not reliable. While the attack on his evidence was complete, there was only aspect of the evidence which Mr Downing said was material. This was Mr Hopton’s opinion that the email of Ms Thompson was a request for a comparative quote. This point can be dealt with very shortly. In my judgment, even in the absence of Mr Hopton’s evidence, the Hearing Officer could have hypothesised that the email might have been for the purpose of a comparative quote (amongst other reasons). Furthermore, she did not actually conclude that it must have been for a comparative quote. Therefore, nothing turns on whether his evidence is credible or not.

25. While the matter was only raised by me at the Hearing, there is also a question as to whether Mr Hopton’s opinion was expert evidence and all that entails. However, as I have said, even in the absence of Mr Hopton’s evidence, I think the Hearing Officer would have been wrong to have accepted Ms Thompson’s email as proving actual

confusion. This means that this ground of appeal need not be considered further save to add that I make no finding as to the credibility of Mr Hopton's evidence.

***Picasso – Whether ground set out***

26. The Appellant's fourth ground (if I had allowed it to be pursued) was that according to C-361/04P *The Picasso Estate v OHIM* [2006] ECR I-643 the absence of conceptual similarity could only outweigh medium degrees of visual and aural similarity where there was a "particularly obvious and pronounced" conceptual difference. This ground was based on a statement in paragraph 23 of that judgment. However, I think it is important to set out the preceding and subsequent paragraphs to understand the context:

21 As OHIM rightly maintains, such a finding is, in this case, entirely part of the process designed to ascertain the overall impression given by those signs and to make a global assessment of the likelihood of confusion between them.

22 It must be borne in mind that, in paragraph 54 of the judgment under appeal, the Court of First Instance found that the two signs at issue are visually and phonetically similar, but that the degree of similarity in the latter respect is low. It also held in paragraph 55 of that judgment that those signs are not similar from a conceptual point of view.

23 Thereafter, the Court of First Instance ruled, in paragraph 56 et seq. of the judgment under appeal, on the overall impression given by those signs and concluded, following a factual assessment which it is not for the Court to review in an appeal where there is no claim as to distortion of the facts, that there was a counteraction of the visual and phonetic similarities on account of the particularly obvious and pronounced nature of the conceptual difference observed in the present case. In doing so, the Court of First Instance, in its overall assessment of the likelihood of confusion and as is apparent from paragraph 59 of that judgment, took account in particular of the fact that the degree of attention of the relevant public is particularly high as regards goods like motor vehicles.

24 In paragraph 61 of the judgment, the Court of First Instance also ruled on whether the mark PICASSO has a highly distinctive character capable of heightening the likelihood of confusion between the two marks for the goods concerned.

25 Thus, it is only following consideration of various elements enabling it to make an overall assessment of the likelihood of confusion that the Court of First Instance concluded, in paragraph 62 of the judgment under appeal, that the degree of similarity between the marks at issue is not sufficiently great for it to be considered that the relevant public might believe that the goods concerned come from the same undertaking or, as the case may be, from economically linked undertakings, so that there is no likelihood of confusion between those marks.

27. In any event, the Respondent argued this point cannot be run by the Appellant as it was not foreshadowed by the Grounds of Appeal. It was not in dispute between the parties that the Appellant should not introduce new grounds of appeal at the hearing, but it was suggested by Mr Downing that the following passage in the Grounds of Appeal set up an argument that *Picasso* was misapplied:

30. Instead, the Hearing Officer mistakenly conflated the question of whether the Applicant had proved actual instances of confusion with the question of whether there was a likelihood of confusion. In doing so, the Hearing Officer erred in law.

28. This paragraph, he said, was a criticism of the entire assessment of the likelihood of confusion. I do not believe this is right. Not only does the paragraph come at the end of

a section entitled “Evidence of Confusion” but also the first sentence of the paragraph refers to “actual confusion” which is the basis of the other four paragraphs in that section. The argument is weakened further by the fact that the other grounds of appeal are set out in admirable detail. Accordingly, I do not consider that the Hearing Officer’s decision was appealed in respect of her application of *Picasso* and I do not need to consider the fourth ground of appeal (in that it was not a ground at all).

29. Nevertheless, I will add briefly that when the passage from *Picasso* is read in context it is clear that the Court of Justice is not creating an additional hurdle that conceptual dissimilarity must be “obvious and pronounced” to overcome visual and aural similarity. It is simply reiterating the accepted principle that the overall impression of the mark must be considered and each factor must be weighed. If there is sufficient conceptual difference this can, in some cases, negate any likelihood of confusion which might otherwise arise from the visual or aural similarity.

### **Costs**

30. The Appellant also appealed the Hearing Officer’s costs order. Mr Downing’s argument was that some of the evidence considered by the Hearing Officer was irrelevant and so there should be an “issue” reduction. While I agree that a Hearing Officer can decide to reduce an award of costs due to some issues being found in favour of the losing party, it will be a rare case where it is appropriate for the Appointed Person to subsequently reduce a scaled award of costs on such a basis.
31. The main rationale for scaled costs before the Hearing Officer is to keep things simple and proportionate. Appealing an award so that it is nudged up a little or down a bit will incur further costs on both sides. Indeed, in many cases the additional cost of arguing the appeal will often be greater than the amount at issue (and those additional costs may not be identified as specifically recoverable on appeal due to the method of assessment before the Appointed Person).
32. In simple terms, the game has to be “worth the candle” and appeals for small or moderate changes to an award of scaled costs will rarely meet this test. Furthermore, allowing an appeal to go ahead over such a small sum might for this reason be an abuse of process (see by analogy, *Jameel v Dow Jones & Co Inc* [2005] EWCA Civ 75). In my view, this would be such an abuse and so I dismiss the appeal on costs.

### **Conclusion**

33. Therefore, I reject the appeal in its entirety and I uphold the Hearing Officer’s decision. I award the Respondent £750 as a contribution to its costs, which should be paid by the Appellant within 14 days of the date of the Order.

PHILLIP JOHNSON  
21 JANUARY 2019

### **Representation:**

For Appellant: Michael Downing of Downing IP.

For Respondent: Nick Zweck instructed by Chapman IP.