



Neutral Citation Number: [2019] EWHC 1161 (Ch)

Case No: CH-2015-000450

IN THE HIGH COURT OF JUSTICE
IN THE BUSINESS AND PROPERTY COURTS
OF ENGLAND AND WALES
CHANCERY DIVISION
(APPEAL FROM THE UNITED KINGDOM
INTELLECTUAL PROPERTY OFFICE
TRADE MARKS REGISTRY)

Royal Courts of Justice
7 Rolls Building
Fetter Lane, London
EC4A 1NL

Date: 10/05/2019

Before :

THE HON MR JUSTICE HENRY CARR

Between :

GAP (ITM) INC

**Appellant/
Respondent to the
cross-appeal**

- and -

GAP 360 LTD

**Respondent/
Appellant in the
cross-appeal**

SIMON MALYNICZ QC (instructed by **Stephenson Harwood LLP**) for the **Appellant**
BENET BRANDRETH QC (instructed by **Stobbs LLP**) for the **Respondent**

Hearing date: 11 APRIL 2019

Approved Judgment

I direct that pursuant to CPR PD 39A para 6.1 no official shorthand note shall be taken of this Judgment and that copies of this version as handed down may be treated as authentic.

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MR JUSTICE HENRY CARR

Mr Justice Henry Carr:

Introduction

1. This is an appeal from a decision of Mr George Salthouse, a very experienced Hearing Officer of the Intellectual Property Office, acting on behalf of the Registrar of Trade Marks (“the Decision”). The Decision, which is dated 2 September 2015, concerns an Opposition by Gap (ITM) Inc, against Trade Mark Application No. 2655091 (“the Application”) applied for by Gap 360 Ltd for the word mark “GAP 360” in respect of various services in classes 35, 36, 39 and 41.
2. Gap (ITM) Inc is a well-known retailer of clothing, footwear and head gear. It opened its first store in the UK in 1987 and at the time that it filed evidence in the Opposition, had 140 stores in the UK, with additional stores in Europe. According to the evidence of Mr David Stitt, the managing director of Gap 360 Ltd, the company was incorporated in May 2011 and its purpose is to provide “gap year opportunities” to young people. It has been well received in the marketplace and has grown significantly. In the calendar year 2014, Mr Stitt stated that the respondent would book 3750 passenger trips, with a turnover of £3.3 million.
3. Gap (ITM) Inc is the proprietor of various earlier Community trade marks registered in respect of the sign “GAP” in classes 35, 36, 39 and 41 (“the Earlier Trade Marks”). The Hearing Officer found that the respective specifications of the Application and the Earlier Trade Marks are “identical for the most part, with only minor exceptions being similar to a medium degree”; (Decision paragraphs [24] and [40] and Annex 1). The Hearing Officer’s findings in respect of identity and similarity are not challenged on this appeal. The services identified in the specifications of the Application and the Earlier Trade Marks are generally connected with travel.
4. The Opposition was based on sections 5(2)(b), 5(3) and 5(4) of the Trade Marks Act 1994. It was unsuccessful in respect of sections 5(3) and 5(4) but was partially successful in respect of section 5(2)(b). Specifically, the Opposition was successful under section 5(2)(b) in relation to all of the class 35 and 39 services applied for, but unsuccessful in relation to all of the class 36 and 41 services applied for.
5. Both sides have appealed, but only in relation to s. 5(2)(b). Neither appeal concerns trade marks registered in respect of clothing nor Gap (ITM) Inc’s reputation as a high street clothing retailer. Gap (ITM) Inc’s evidence about its trading and reputation is therefore irrelevant to the appeals. To avoid confusion in dealing with the two appeals, the parties referred to Gap (ITM) Inc. as “the opponent” and Gap 360 Ltd as “the applicant”. I shall do the same.

Summary of the Decision under section 5(2)

6. The applicant applied to amend the specifications in respect of the class 36 and 41 services to add the qualification “all relating to gap travel”. That amendment was not made in respect of the class 35 and 39 specifications. The amendment was allowed by the Hearing Officer, and it was crucial to his ultimate conclusion. He found at [41] of the Decision that there was a likelihood of consumers being confused into believing that the services in classes 35 and 39 provided by the applicant were those of the opponent or provided by some undertaking linked to the opponent. However, in relation

to the services in classes 36 and 41, he found that there was no such likelihood of consumers being confused.

7. This conclusion was based upon his findings at paragraphs [34] – [36] that the word “gap”, in the context of services related to “gap travel”, has a low level of distinctiveness. He concluded that, given the low level of distinctiveness of the word “gap” when used for services relating to gap travel, the similarity between the marks was outweighed by the difference created by the presence of the “360” element in the applicant’s mark.
8. The distinction drawn by the Hearing Officer, which depended on the presence of the limitation to “gap travel” in the specification of services, is evident from paragraph [39] of the Decision, where he said:

“The opponent’s mark is a well known English word whose distinctive character lies within its whole. When used for gap travel services in classes 36 and 41 it is descriptive of those services and so has a low level of distinctiveness. When used on services in classes 36 & 39 it is not directly or indirectly descriptive of the services and so has an average level of inherent distinctiveness. The opponent has filed evidence of use of its mark in the UK on clothing, footwear and headgear. However, it has not filed any evidence of use for the services upon which it relies under this ground of opposition. The opponent cannot benefit from enhanced distinctiveness”

9. This distinction was then reflected in his assessment of the likelihood of confusion. At [40] the Hearing Officer summarised the factors that he considered relevant:

“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 opponent’s trade mark 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 a moderate to high degree of care and attention when doing so;

- The respective specifications are identical for the most part, with only minor exceptions being similar to a medium degree (see paragraph 24 above).
- In comparing the mark in suit to the opponent's marks the competing trade marks have a moderate degree of visual and aural distinctive similarity when used on services not related to gap travel. Conceptually the marks are highly similar. However, when used for services related to gap travel the similarity of the low distinctiveness element GAP is outweighed by the difference of the distinctive "360" element."

10. He then concluded at [41] that:

"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 in classes 35 and 39 provided by the applicant are those of the opponent or provided by some undertaking linked to them. In reaching this conclusion I have not relied upon the survey filed by the applicant, at least partly because no permission was given to file it. **The opposition under Section 5(2) (b) therefore succeeds in relation to the services in classes 35 and 39.** However, in relation to the services in classes 36 and 41 there is no likelihood of consumers being confused into believing that these services provided by the applicant are those of the opponent or provided by some undertaking linked to them. **The opposition under Section 5(2) (b) therefore fails in relation to the services in classes 36 and 41"**

Appeals from the IPO to the High Court – standard of review

11. A comprehensive summary of the applicable principles was provided by Daniel Alexander QC sitting as the Appointed Person in *TT Education Ltd v Pie Corbett Consultancy Ltd* (O/017/17) at [14] to [52]. This was approved by Arnold J in *Apple Inc v Arcadia Trading Limited* [2017] EWHC 440 (Ch). References to the Appointed Person in the following citation should be taken as applicable to appeals to the High Court:

"(i) Appeals to the Appointed Person are limited to a review of the decision of Registrar (CPR 52.11). The Appointed Person will overturn a decision of the Registrar if, but only if, it is wrong (Patents Act 1977, CPR 52.11).

(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).”

The meaning of “gap” and “gap travel” – what did the Hearing Officer decide?

12. It is clear that the Hearing Officer decided that the word “gap” had a low level of distinctiveness when used for services relating to “gap travel”. That conclusion required the Hearing Officer to consider the meaning, in context, of the words “gap year” and

“gap travel” and “gap”. There was, however, some dispute on this appeal as to what conclusion the Hearing Officer had reached about the meaning of the word “gap” in the context of travel services.

Submissions of the parties

13. Mr Malynicz QC, who appeared on behalf of the opponent, submitted that the Hearing Officer’s conclusion as to the meaning of all of these words is set out in paragraph [34] of the Decision. This paragraph follows a summary of the applicant’s contention (set out at [30]) that the word “gap” in the context of the services covered by the Application must be regarded as being non-distinctive or descriptive; and of the opponent’s contention (set out at [32]) that although “gap” is a common English word, it is not inherently descriptive of, nor does it allude to, any of the goods or services the subject of the opponent’s Earlier Trade Marks.
14. Having set out the rival contentions, the Hearing Officer said at [34]:

“When the term “Gap Year” was initially coined it referred to taking a year out between either (sic), finishing at school and starting at university, thus taking an academic year off rather than actually travelling for a year. To my mind, it will still retain this meaning. The term “gap” was also used to describe a break between finishing university and starting work, but this was usually a period of months, not usually a year. The evidence filed by the applicant shows that the majority of references within the industry are to “gap year travel” not “gap travel”. I have no doubt that the former will be recognised by the majority of consumers. I am willing to accept that “gap travel” would be recognised by the majority of average consumers as well as the travel profession as relating to travel during a gap or gap year.”
15. Accordingly, Mr Malynicz submitted that the Hearing Officer concluded that the terms “gap year”, “gap” (in the context of travel) and “gap travel” would be understood by a majority of consumers as relating to a break between finishing school and starting university, or between finishing university and starting work. Since the Hearing Officer had reached the view that *a majority* of average consumers would recognise these terms as descriptive, it followed that a minority of average consumers, which could not, without further reasoning, be dismissed as an insignificant proportion, would not.
16. Mr Brandreth QC, on behalf of the applicant, disputed that these were the Hearing Officer’s findings in relation to the meaning of “gap” in the context of travel. He submitted that the Hearing Officer had accepted the evidence of Mr Stitt that the context of travel the word “gap” refers to “a type of trip which is considered a break from the normal existence of the individual taking the gap”. It was not confined to a break between finishing school and starting at university, or between finishing at university and starting work, which were merely typical examples.
17. Mr Brandreth contended that the fallacy in the opponent’s approach was to isolate paragraph [34] from the rest of the Decision and thus to deprive it of context. Paragraph [34] was concerned only with whether “gap travel” as well as “gap year travel” had a descriptive meaning. He pointed to paragraphs [7] and [18] where the Hearing Officer

summarised and commented on the applicant's evidence. He also referred to paragraph [19] where the Hearing Officer identified the average consumer as the general public and rejected the contention that he/she should be limited to 18-24-year olds.

18. Mr Brandreth then focused on paragraph [35] where the Hearing Officer said:

“The applicants’ mark has two elements “Gap” and “360” neither of which are descriptive of the applicants’ services in classes 35 and 39, which are not subject to any limitation. However, when used on the services in classes 36 and 41, which are limited to services “all relating to gap travel”, the word “gap” has a low level of distinctiveness. In respect of the “360” element the opponent contended that this element will be seen as meaning “full coverage”. However, no evidence has been adduced in relation to this, and to my mind the term is distinctive of services relating to gap travel”

19. Mr Brandreth observed that in that paragraph the Hearing Officer stated that neither “gap” nor “360” is descriptive of the applicant’s services in classes 35 and 39. Then he contrasted that position for classes 36 and 41 by saying that for those services, “which are limited to services “all relating to gap travel”, the word “gap” has a low level of distinctiveness.” That conclusion, both by its contrast with the finding in relation to classes 35 and 39, and by the discussion of the meaning of “gap travel” in [34], indicated that the Hearing Officer held that “gap” is descriptive of a certain kind of travel and, consequently, of a certain kind of service addressing that kind of travel.
20. Finally, Mr Brandreth laid particular stress on the passage emphasised below in paragraph [36] of the Decision:

“There are clear visual and aural similarities between the marks in that they both have the word “GAP”. But given the low level of distinctiveness of that word when used for services relating to gap travel, this similarity is outweighed by the difference created by the presence of the “360” element in the applicant’s mark. *Conceptually, the word “gap” has a meaning in relation to the class 36 and 41 services of a break.* It might have the same meaning in the opponent’s unlimited specifications in classes 36 & 41. The term “360” may be seen as a reference to a circle or globe which alludes to travel but is distinctive.” (emphasis added)

Reference to the meaning of “gap” in relation the class 36 and 41 services as “a break” was, according to the applicant, an express acceptance of its case, as set out in Mr Stitt’s evidence.

Discussion

21. In my judgment, the opponent is correct in respect of this issue. I have reached this conclusion for the following reasons. First, the issue of whether the words “gap year”, “gap travel” and “gap” in the context of travel services were descriptive was a key dispute between the parties, and the entire reasoning of the Hearing Officer in support

of his conclusion is set out in paragraph [34]. Paragraph [36] does not reach any different conclusion, but rather applies the conclusion as to meaning which the Hearing Officer had already reached. Secondly, the Hearing Officer's reasoning in [34] is not confined to "gap year" and "gap travel". He expressly considers the meaning of the word "gap". Thirdly, it would have been surprising if the Hearing Officer had reached a different conclusion as to the meaning of the words "gap travel" and "gap" in the context of travel services. Fourthly, the Hearing Officer limited his findings to what would be understood by the majority of average consumers. This was consistent with his findings as to the identity of the average consumer, which included, but was not limited to, persons aged between 18 and 24.

22. In summary the Hearing Officer, having considered the evidence of the applicant, concluded that:
- i) "Gap year" initially referred to taking a year out between finishing at school and starting at university, and did not necessarily involve a year's travel;
 - ii) "Gap year" still retains that meaning;
 - iii) "Gap" was also used to describe a break between finishing university and starting work, but this was usually a period of months, rather than a full year;
 - iv) The term "gap year travel" would be recognised by the majority of average consumers (i.e. the general public; paragraph [19] of the Decision);
 - v) "Gap travel" would be recognised by the majority of average consumers as well as the travel profession as relating to travel during a gap or gap year.

An alleged error of principle – common ground between the parties

23. This appeal is unusual, in that both sides identified and relied upon the same error of principle in the Decision.
24. The alleged error of principle identified by the parties was as follows. The specifications of the Earlier Marks are broader than the specifications of the Application. The broader specifications encompass the narrower. Therefore, the Earlier Marks contain within them, notionally, the words "all relating to gap travel". As Mr Brandreth put it, the Earlier Marks cover a super-set which includes gap travel. Accordingly, the same result should have been reached in relation to the class 35 and 39 services as for the class 36 and 41 services. Whilst the parties differed fundamentally on what that result should be, they both contended that a "judgment of Solomon" whereby the Opposition was partially successful, was not possible in the present case. According to the opponent, the Hearing Officer ought to have accepted the Opposition under s.5(2) in its entirety. According to the applicant, he ought to have rejected the Opposition in its entirety.
25. Although the parties were agreed that the Hearing Officer made an error of principle, it does not necessarily follow that the court will accept this. Where both sides are appealing, it may suit their respective cases to identify an error of principle when no such error exists; in the present case, each side seeks complete victory. Therefore, it is necessary carefully to consider the Decision, and to assess whether the criticism of the parties is justified.
26. The Hearing Officer set out the specifications of the Application at [12] of the Decision. These are as follows, with the amendment underlined:

“In Class 35: Advertising services relating to the travel industries; recruitment and placement services; information relating to jobs and career opportunities; administration of temporary employment programmes; organising and conducting volunteer programmes and community service projects; information, consultancy and advisory services for all the aforesaid services.

In Class 36: Travel Insurance; financial services relating to travel; insurance services relating to travel; issuing of vouchers; information, consultancy and advisory services for all the aforesaid services; all relating to gap travel.

In Class 39: Transport; Packaging and storage of goods; Travel arrangement; travel advice; travel agency and booking services; arranging for travel visas, passports and travel documents for persons travelling abroad; safety training courses; tours; bus tours; travel guides; travel escorts; coordinating travel arrangements for individuals and groups; package holiday services; information relating to travel; holiday travel reservation services; transportation of luggage; travel clubs; information, consultancy and advisory services for all the aforesaid services.

In Class 41: Education; Providing of training; Entertainment; Sporting and cultural activities; technical training relating to safety; job training services; recreation; arranging of group recreational activities; arranging for students to participate in recreational activities; information services relating to recreation; education and training relating to travel; publications relating to travel; travel guides; teaching; information, consultancy and advisory services for all the aforesaid services; all relating to gap travel.”

27. The specifications of the Earlier Marks are very long and are set out by the Hearing Officer at paragraph [3] of the Decision, in tabular form. It is unnecessary to reproduce them in this judgment as I am satisfied that specifications of the Earlier Marks are of broad scope and encompass “gap travel”. Indeed, the Hearing Officer recognised that this was the case at paragraph [24] of the Decision, where he said that:

“The applicant accepted that “Except in relation to certain of the services in class 35 as set out in more detail below the Applicant acknowledges that the service coverage is at least similar to the service coverage of the application.” I have set out the services of both parties in Annex 1. *Even if the limitation “all relating to gap travel” makes any difference, it cannot affect the identity of the services because the opponent’s specifications are unlimited and therefore cover services relating to “gap travel” too.*” (emphasis added)

28. When assessing the likelihood of confusion, the Hearing Officer needed to consider notional use of the Earlier Trade Marks and of the Application, across the full range of their specifications of services: see *Maier v Asos* [2015] FSR 20, *per* Kitchin LJ at [78]. Since the Hearing Officer concluded, correctly, at [24] of the Decision that the opponent's specifications were "unlimited" and therefore covered services relating to "gap travel", it was, in my judgment, an error of principle to conclude that the presence of the words "all relating to gap travel" in the class 35 and 41 specifications of the application meant that there was no likelihood of confusion, whereas the absence of those words in the class 36 and 39 specifications meant that there was a likelihood of confusion.
29. Mr Brandreth contended that the existence of this error of principle did not mean that it would be justified to interfere with the Hearing Officer's finding that the word "gap" has a low level of distinctiveness. I accept this, but the question remains whether the Hearing Officer was entitled to come to that conclusion on the evidence before him, and whether his conclusion was sufficient to dispose of the issues before him. I shall consider those questions later in this judgment. However, the error of principle identified above means that I must reconsider the Hearing Officers' findings of likelihood of confusion at [39] – [41], which were integrally linked with, and a direct result of, the error of principle.

Was the Hearing Officer entitled, on the evidence before him, to conclude that "gap" was non-distinctive in relation to travel services?

30. Mr Malynicz contended that there was no proper evidential basis for this finding, and neither party contended for the limited meaning of "gap" in the context of travel that the Hearing Officer arrived at. In particular, at paragraph [15] of his statement, Mr Stitt said that "in the context of travel, the word gap refers to a type of trip which is considered a break from the normal existence of the individual taking the gap". At paragraph [17], Mr Stitt said that "gap" means "a trip abroad taken as a break from normal life".
31. In the light of this evidence, Mr Malynicz argued that the applicant's position was that the term was not confined to travel during a gap year (i.e. the period between school and university) or a "gap" (a shorter period between university and work), but merely that it was a "break from normal life" whenever that occurred. Moreover, the applicant's evidence (for example: page 403 of Exhibit DS6) referred to large numbers of "career breakers", and retired people being targeted as customers by companies offering what the applicant described as "gap travel". Therefore, the applicant's evidence did not support the conclusion that the word "gap" was confined to use solely for travel during the period between school and university or between university and work.
32. In addition, the opponent did not contend that the term "gap", in the context of travel, was confined to those taking a break during the period between school and university or between university and work. The opponent contended that its meaning was much less certain and more ill-defined than that set out by the Hearing Officer.
33. In my judgment the Hearing Officer was entitled to conclude that *the majority* of average consumers would understand the words "gap year", "gap travel" and "gap" in the way that he set out at paragraph [34] of the Decision. His careful analysis of the

evidence supported these conclusions. There was a stronger case as to the meaning of “gap year” than “gap travel” or “gap” in the context of travel, as these latter expressions were generally used as a form of shorthand, after initial reference to a gap year. This was reflected in the language used by the Hearing Officer at [34]. I reject the suggestion, which necessarily formed part of the opponent’s submission, under this ground of appeal, that no reasonable tribunal could have reached these conclusions.

Were the Hearing Officer’s conclusions sufficient to dispose of the issues before him?

34. That does not, however, dispose of this ground of appeal. The Hearing Officer’s conclusions dealt only with the understanding of the majority of average consumers. He did not deal with the understanding of the minority of average consumers, nor provide any justification for the conclusion that such minority could be regarded as an insignificant proportion of the total population of average consumers.
35. Mr Malynicz submitted, and I agree, that in order to determine the issues in the opposition, which remain relevant on appeal, it is necessary to consider the understanding, not just of the majority, but of any significant proportion of average consumers. Since the Hearing Officer made no findings in this respect, it is necessary for me to consider the evidence that was before the Hearing Officer and make the necessary findings. Since there was no oral evidence and no cross-examination at first instance, this presents no real difficulty.
36. In my view, a significant proportion of average consumers would consider that the words “gap travel” and “gap” when used in the context of travel, is not limited to those taking a break during the period between school and university or between university and work. Such consumers would also understand those words to include travel services offered to persons taking a career break, spending a redundancy payment, or enjoying their retirement. In my judgment, whilst “gap travel” might typically be undertaken by those travelling for longer than a two-week holiday, it would not be understood by a significant proportion of average consumers as limited to a trip of any particular duration, nor to any particular destination, nor for any limited purpose.
37. This is reflected in the *Gap Year Guidebook 2015*, exhibited as DS7 to the witness statement of Mr Stitt. This publication contains the following explanation at page 14, which is consistent with Mr Stitt’s evidence:

“Don’t think your break would have to be for a year either – it could be as long and short as you like or can afford!

But the one thing all such trips have in common is the fact that they’re all about taking time out of the normal routine to do something different, challenging, fulfilling, memorable – so that is our definition of a gap.

It’s difficult to give exact numbers because of the wildly different ways you can spend your gap, but we are likely to be talking hundreds of thousands – that includes young people (teenagers and those in their early 20s) career breakers and retired people.

The Year Out Group, which represents 34 of the leading gap-year providers in the UK, arranged structured gap year placements for just under 30,000 people in more

than 19 countries in 2013 (the last full year of figures at time of going to press). They say that 75% of those gappers were aged between 18 and 24, predominantly taking time between school university or leaving university and taking up full-time work and about 20% were between 25 and 40, taking a sabbatical or career break or looking for a change of career.

‘There is no longer a typical age’, says Ellen Sziede at the African Conservation Experience. ‘There are still a lot of students joining us, but there are also more and more adult gappers, active retirees, parent and teenager teams. It’s not uncommon at all to have volunteers in their 20s, 40s and 60s mixing with teenage gap year students of the project and it’s all part of the experience’...

So the answer is people of all ages, all walks of life, able-bodied and disabled go on a gap.”

Are the words “all relating to gap travel” appropriate for a trade mark specification?

38. The opponent disputed the ability of the words “all relating to gap travel” to function as appropriate terminology within a trade mark specification. Mr Malynicz advanced two principal objections, which he referred to as “the *IP Translator* issue” and “the *Postkantoor* issue”.

The IP Translator issue – legal principles

39. In C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (‘IP Translator’)* [2012] ETMR 42 at [40] to [49] the Court of Justice of the European Union (“the CJEU”) ruled that, as well as the competent authorities, economic operators must be able to acquaint themselves, with clarity and precision, with registrations or applications for registration made by their actual or potential competitors, and thus to obtain relevant information about the rights of third parties. In accordance with the principle of legal certainty, trade mark specifications are required to satisfy the requirements of clarity and precision. National courts are to assess on a case by case basis whether the particular terminology with which they are faced complies with these objectives. In particular, the Court said at [46] – [49] that:

“46 In that connection, it must be recalled that the entry of the mark in a public register has the aim of making it accessible to the competent authorities and to the public, particularly to economic operators (Sieckmann , paragraph 49, and Case C-49/02 Heidelberg Bauchemie, ECR I-6129 , paragraph 28).

47 On the one hand, the competent authorities must know with clarity and precision the nature of the signs of which a mark consists in order to be able to fulfil their obligations in relation to the prior examination of applications for registration and the publication and maintenance of an appropriate and precise register of trade marks (see, by analogy, Sieckmann , paragraph 50, and Heidelberg Bauchemie , paragraph 29).

48 On the other hand, economic operators must be able to acquaint themselves, with clarity and precision, with

registrations or applications for registration made by their actual or potential competitors, and thus to obtain relevant information about the rights of third parties (Sieckmann , paragraph 51, and Heidelberger Bauchemie , paragraph 30).

49 Accordingly, Directive 2008/95 requires the goods and services for which the protection of the trade mark is sought to be identified by the applicant with sufficient clarity and precision to enable the competent authorities and economic operators, on that basis alone, to determine the extent of the protection sought.”

40. If wording does not satisfy the requirement of clarity and precision it must be rejected and can play no part in the assessment of relative grounds objections, as established by the following decisions of the General Court of the European Union: Case T-162/08 *Frag Commercial Internacional SL v. OHIM* EU:T:2009:432 at paragraphs [9] and [31]; Case T-571/11 *El Corte Inglés SA v. OHIM* EU:T:2013:145 at paragraphs [12] and [51] to [55]; appeal dismissed in Case C-301/13P *El Corte Inglés SA v. OHIM* EU:C:2014:235; and Case T-229/12 *Advance Magazine Publishers Inc v. OHIM* EU:T:2014:95 at paragraphs [3], [33] to [38] and [42].
41. It is important to recognise, however, that the requirements of clarity and precision are not absolute, as language is rarely absolutely clear and precise, and it is often possible to postulate some ambiguity at the margins of a word or phrase. This principle was set out by Sales J, as he then was, in *Total Limited v YouView TV Limited* [2014] EWHC 1963 at [57]. The passage cited below, which takes a practical and sensible approach to the requirements of clarity and precision, should not be taken as meaning that they are unimportant or to be lightly dismissed:

“It is to be expected (indeed, is practically inevitable) that most if not all specifications of goods and services will have some element of uncertainty at their margins, since one is using concepts expressed in short words or formulations to apply to fields of often complex and variable activities. This is a familiar and entirely general problem relating to the operation of legal concepts, not just in the area of trade mark law — compare, for instance, the standards applied by the European Court of Human Rights in relation to specification of criminal offences, where the interest of an individual in knowing with reasonable precision what they may or may not do is significantly stronger than in the present context: see *SW v United Kingdom* (1995) 21 EHRR 363 , at para. 36: “However clearly drafted a legal provision may be, in any system of law, including criminal law, there is an inevitable element of judicial interpretation. There will always be a need for elucidation of doubtful points and for adaptation to changing circumstances ...”; and in the trade marks context see *Reed Executive Plc v Reed Business Information Ltd* [2004] EWCA Civ 159; [2004] RPC 40 , at [44], where Jacob LJ referred to “the inherent difficulty in specifying services with precision” as one reason why an approach focusing on the core of what is described in the specification is the appropriate one

(for that approach, see Jacob LJ at [43], referring to his own previous judgment in *Avnet Inc v Isoact Ltd [1998] FSR 16*, at 19; and see also paras. [11]-[12] in the judgment of Floyd J, who treated this approach as one supported by the judgment in *IP Translator* at paras. [47]-[49]). The CJEU in *IP Translator* clearly did not mean that *any* degree of uncertainty of application of a word or phrase in a classification relating to a mark would mean that registration for that trade mark would be refused. The issue is whether there is such lack of clarity and precision in the specification given as to create an unacceptable or unreasonable level of uncertainty regarding the scope of protection given by the trade mark, having regard to the context in which it is to operate.”

Application to the facts

42. In the present case, I have considered whether the Hearing Officer’s finding that “gap travel” would be understood by a majority of average consumers as relating to a break between finishing school and starting university, or between finishing university and starting work, identifies the core and natural meaning of the expression “all relating to gap travel”, which was added by amendment to the class 36 and 41 specifications of the marks applied for. If so, then it could be concluded that the amendment does not create an unacceptable or unreasonable level of uncertainty regarding the scope of protection given by the trade mark, having regard to the context in which it is to operate.
43. However, I have reached the conclusion that the expression “all relating to gap travel” lacks clarity and precision so as to create an unacceptable or unreasonable level of uncertainty regarding the scope of protection given by the Application, having regard to the context in which it is to operate. I do not consider that competitors of the applicant would be able to know with sufficient certainty whether their travel services did or did not relate to “gap travel”.
44. I have found that a significant proportion of average consumers would consider that the words “gap travel” are not limited to those taking a break during the period between school and university or between university and work. Such consumers would also understand those words to include travel services offered to persons taking a career break, spending a redundancy payment, or enjoying their retirement. Whilst “gap travel” might typically be for longer than a two-week holiday, it would not be understood by a significant proportion of average consumers as limited to a trip of any particular duration. Therefore, I do not accept that the expression “gap travel” is apt to distinguish one form of travel from another, and therefore does not distinguish meaningfully between travel services.

The Postkantoor issue – legal principles

45. In *Koninklijke KPN Nederland NV v Benelux-Merkenbureau (“POSTKANTOOR”)* (C-363/99) [2004] E.C.R. I-1619; [2004] E.T.M.R. 57, the applicant (ambitiously) applied to register the word POSTKANTOOR, which means POST OFFICE in Dutch, in respect of goods and services in Classes 16, 35–39, 41 and 42. The Benelux Trade Mark Office refused registration on the grounds that the sign was descriptive. On appeal, the

District Court of The Hague referred certain questions of interpretation of the Directive to the Court of Justice, one of which was as follows:

“Is it consistent with the scheme of the Directive and the Paris Convention for a sign to be registered for specific goods or services subject to the limitation that the registration applies only to those goods and services in so far as they do not possess a specific quality or specific qualities (for example, registration of the sign ‘Postkantoor’ for the services of direct-mail campaigns and the issue of postage stamps ‘provided they are not connected with a post office’)?”

46. The Court of Justice answered this question at [113] – [115] of its judgment:

“113. ... when registration of a mark is sought in respect of an entire class within the Nice Agreement, the competent authority may, pursuant to Article 13 of the Directive, register the mark only in respect of some of the goods or services belonging to that class, if, for example, the mark is devoid of any distinctive character in relation to other goods or services mentioned in the application.

114. By contrast, where registration is applied for in respect of particular goods or services, it cannot be permitted that the competent authority registers the mark only in so far as the goods or services concerned do not possess a particular characteristic.

115. Such a practice would lead to legal uncertainty as to the extent of the protection afforded by the mark. Third parties — particularly competitors — would not, as a general rule, be aware that for given goods or services the protection conferred by the mark did not extend to those products or services having a particular characteristic, and they might thus be led to refrain from using the signs or indications of which the mark consists and which are descriptive of that characteristic for the purpose of describing their own goods.”

47. The application of this guidance has caused some difficulty in subsequent cases, and a comprehensive summary of its interpretation in various decisions was provided by Arnold J in *Omega Engineering v Omega SA* [2013] F.S.R. 25, at [43] – [57]. Arnold J referred at [46] to the Decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person in *Croom* [2005] RPC 2 at [29]-[30]. Arnold J said:

“29. In *Croom’s Trade Mark Application [2005] R.P.C. 2* at [28]–[29] Geoffrey Hobbs QC sitting as the Appointed Person held that the *POSTKANTOOR* principle precluded the applicant from limiting a specification of goods in Classes 18 and 25 by adding the words “none being items of haute couture” or “not including items of haute couture”. He went on at [30] to refer to “characteristics that may be present or absent without changing the nature, function or purpose of the specified goods”. Mr

Hobbs QC made the same distinction in *WISI Trade Mark* [2007] E.T.M.R. 5; [2006] R.P.C. 22 at [16].”

Application to the facts

48. To the extent that *Postkantoor* focuses on negative characteristics, the question must be addressed as a matter of substance, and not merely form. In the present case, the amendment is in effect negative because it purports to exclude other forms of travel services which do not relate to “gap travel”.
49. Mr Brandreth submitted, and I accept, that the *Postkantoor* principle is one manifestation of the requirement for legal certainty. Consequently, it restricts registrations of specifications where the qualifier is intended to delimit a sub-category but cannot, in fact, do so clearly because the possession of the qualifying characteristic is uncertain. He contended that the qualifier in the present case does not fail the *Postkantoor* principle. The qualifier identifies an inherent characteristic of the services – namely travel undertaken in a gap between life stages, typically between school and university or university and work. In other words, the qualifier identifies part of the functions of the services being offered.
50. On the facts of this case, I do not accept that submission. For the reasons given when considering the *IP Translator* issue I reject the contention that the qualifier “all relating to gap travel” identifies an inherent characteristic of the services with sufficient legal certainty. For example, it is not clear how “travel insurance” when qualified by the words “relating to gap travel” would differ from other forms of travel insurance. Since the qualifier would not limit insurance to a particular age group; nor to a trip of a particular duration; nor to a trip involving particular activities; nor to a trip to particular destinations; the possession of the qualifying characteristic cannot be identified with sufficient certainty. Applying the test in *Croom*, the limitation refers to characteristics that may be present or absent without changing the nature, function or purpose of the specified services.
51. The effect of wording which contravenes *Postkantoor* is the same as for wording which contravenes *IP Translator*. Wording which lacks legal certainty cannot properly be compared for the purposes of assessing similarity and distinctiveness as part of the section 5(2) analysis and so must be left out of account.
52. Mr Brandreth submitted that neither the *IP Translator* nor *Postkantoor* issues were determinative of the appeal. He submitted, without dissent from Mr Malynicz, that if the amendment, which was allowed by the Hearing Officer, was inappropriate for a trade mark specification, then it could be withdrawn. I accept that the applicant can withdraw the amendment, which was first introduced at the hearing of the Opposition. The consequence, when considering likelihood of confusion, will be the same as if the limitation is simply ignored.

The *Interflora* issue

Legal principles

53. Mr Malynicz submitted that even if the Hearing Officer was right to hold that a “majority” of average consumers of the class 36 and 41 services would recognise the

term “gap” to be a reference to “gap year” that would not be sufficient as a matter of law to avoid a finding of a likelihood of confusion. He contended that under section 5(2) of the Trade Marks Act 1994, an earlier right holder only has to show that a *substantial proportion* of the relevant public (e.g. those to whom the earlier mark is distinctive of origin and not descriptive of a characteristic) are confused.

54. This issue was considered by the Court of Appeal in *Interflora v M&S* [2015] FSR 10 (*Interflora III*) at [107] to [130]. In *Interflora III* the Court of Appeal addressed the issue of whether it is legitimate to consider the perceptions of a “proportion of the relevant public”: see [116]. At [123] Kitchin LJ, giving the judgment of the Court, considered the relationship between distinctiveness and likelihood of confusion:

“It is also important to have in mind that the issue of a trade mark's distinctiveness is intimately tied to the scope of protection to which it is entitled. For example, it is well established that, in assessing an allegation of infringement under Article 5(1)(b) of the Directive (or Article 9(1)(b) of the Regulation) arising from the use of a similar sign, the court must take into account the distinctive character of the trade mark, and there will be a greater likelihood of confusion where the trade mark has a highly distinctive character either per se or as a result of the use which has been made of it. It necessarily follows that the court must therefore have regard to the impact of the accused sign on the proportion of consumers to whom the trade mark is particularly distinctive.”

55. At [129] Kitchin LJ concluded as follows:

“Of course the court must ultimately give a binary answer to the question before it, that is to say, in the case of art.5(1)(b) of the Directive, whether or not, as a result of the accused use, there exists a likelihood of confusion on the part of the public. But in light of the foregoing discussion we do not accept that a finding of infringement is precluded by a finding that many consumers, of whom the average consumer is representative, would not be confused. To the contrary, if, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then we believe it may properly find infringement”

56. The opponent contended that, even if the Hearing Officer was entitled to find that the majority of consumers of the applicant's class 36 and 41 services would recognise the term “gap” to be a reference to “gap year”, he did not reach a finding that all or substantially all consumers in this country think that “gap” is a reference to “gap year” or that they all or substantially all even know what a “gap year” is. He was merely “willing to accept” that “a majority” would think this. Accordingly that leaves a substantial proportion of consumers to whom the word “gap” is inherently distinctive in both marks. For such consumers the distinctive similarity between the marks could only have one result – confusion.

57. Mr Brandreth did not dissent from the proposition of law advanced by the opponent that under section 5(2) of the Trade Marks Act 1994, it is sufficient for an earlier right holder to show that a substantial proportion of the relevant public (e.g. those to whom the earlier mark is distinctive of origin and not descriptive of a characteristic) are likely to be confused. However, he strongly disputed that, on the facts of this case, there was a substantial proportion of the relevant public to whom the earlier mark was distinctive of origin and not descriptive of a characteristic of travel services.

Application to the facts

58. Mr Malynicz pointed out, and it cannot be disputed, that a high proportion of young people in the United Kingdom do not attend further education, but instead go straight into employment from ages 16 or 18. Furthermore, many young people lack the financial means to take “gap years” before seeking employment. He submitted that it could not be assumed, at least without clear and compelling evidence, that such persons would understand “gap” to refer to a “gap year” or even to know what a “gap year” was.
59. Mr Brandreth responded that the opponent had the opportunity to submit evidence to establish that these expressions would not be understood by a significant proportion of average consumers but had failed to take this opportunity. He contended that, in the absence of such evidence, there was no material upon which the Hearing Officer or the court on appeal could reach such a finding.
60. I reject the submission that this issue requires evidence for its resolution. The Hearing Officer, and the court on this appeal, is concerned with the ordinary and natural meaning of the word “gap” in the context of travel, and of the expression “gap travel” specified in the applicant’s specifications of services in classes 36 and 41.
61. In trade mark cases, whilst evidence is admissible which comprises dictionary definitions, and of the way in which words are used in the relevant trade if it is contended that they have a special meaning, the meaning of ordinary English words is a matter for the tribunal to decide upon. Floyd J, as he then was, set out this principle in the context of patent claims in *Qualcomm v Nokia* [2008] EWHC at [9]:
- “9. It is for the court and not the witnesses to come to conclusions about what the claim means. Subject to the well-known exception about technical terms with a special meaning, the construction of a patent is a question of law. So an expert report which seeks to parse the language of the claim and opine that a particular ordinary English word can only in his opinion have a particular meaning is not admissible, or helpful. Both sides in the present case are guilty of adducing evidence of this kind.”
62. Therefore, it is a matter for the court on this appeal to decide on the ordinary and natural meaning of the words in dispute. Over-elaboration is neither necessary nor helpful. Whilst I do not accept that a significant proportion of average consumers would fail to understand the term “gap year”, I agree with Mr Malynicz that a significant proportion of such consumers would have no, or no uniform, understanding of the word “gap” when used in the context of travel, nor of the expression “gap travel”.

Likelihood of confusion under section 5(2)

63. I have concluded that the Hearing Officer made errors of principle in reaching his Decision. In fairness to the Hearing Officer, I should add that it was explained to me that there was a considerable focus on the amendment at the hearing before him, which may well have led him to the view that the case depended on this limitation. That was not the way that either side presented this appeal.
64. This requires me to reassess the likelihood of confusion. In my judgment, the Application, in all of the classes applied for is sufficiently similar to the Earlier Trade Marks, such that there is a likelihood of confusion within the meaning of section 5(2), for the reasons explained by the Hearing Officer at [40] of the Decision. In particular, there is an identical element at the beginning of the marks, and the Earlier Trade Marks are registered in respect of identical or similar services.
65. This analysis accords with the findings of the Hearing Officer who concluded that, but for the presence of the limitation, the marks were confusingly similar. Since I have concluded that no account should be taken of that limitation, or alternatively, the applicant's request to withdraw the limitation should be allowed, a finding of likelihood of confusion is, in my view, supported by his analysis. I reach the same conclusion based on my finding that a significant proportion of average consumers would not consider that "gap" was descriptive of travel and would be likely to be confused.
66. For these reasons, I shall allow the opponent's appeal, and dismiss the applicant's cross-appeal.