

O-079-04

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2275210
BY DESTINATION GROUP LIMITED
TO REGISTER THE TRADE MARK:**



IN CLASSES 35, 39, 41 AND 42

AND

**THE OPPOSITION THERETO
UNDER NO 91143
BY TRAVEL 2 LIMITED**

Trade Marks Act 1994

**In the matter of application no 2275210
by Destination Group Limited
to register the trade mark:**



**in classes 35, 39, 41 and 42
and the opposition thereto
under no 91143
by Travel 2 Limited**

1) On 13 July 2001 Destination Group Limited, which I will refer to as DGL, applied to register the above trade mark (the trade mark). The application was published for opposition purposes in the "Trade Marks Journal" on 10 July 2002 with the following specification:

advertising and promotional services, all including those provided on-line from a computer database or the Internet; compilation of directories for publishing on the Internet; compilation of advertising as web pages on the Internet;

travel services and services relating thereto; passenger transport services, arranging tour packaging, excursions, including the provision of local tour guide services, arranging of transportation and car hire, flights, tourist information services, arranging of sports holidays and activity holidays, including such services provided on-line from a computer database or the Internet; information services relating to travel;

the provision of information relating to entertainment or education, including such services provided on-line from a computer database or the Internet;

accommodation services, including such services provided on-line from a computer database or the Internet.

The above services are in classes 35, 39, 41 and 42 respectively of the "International Classification of Goods and Services".

The trade mark is in grey with the exception of the upper 4less, which is in orange. No claim as to colour has been made.

2) On 10 October 2002 Travel 2 Limited, which I will refer to as T2L, filed a notice of opposition to the application.

3) T2L is the owner of the following United Kingdom trade mark registrations:

- No 2209814 of the trade mark **TRAVEL 4**. The trade mark is registered for the following services:

the arranging of travel, holidays, tours and trips, travel agency and reservation services included in the class.

The above services are in class 39 of the “International Classification of Goods and Services”.

The application proceeded to publication because of distinctiveness acquired through use.

- No 2209811 of the trade mark:



The above trade mark is registered for the following services:

the arranging of travel, holidays, tours and trips; travel agency and reservation services included in the class.

The above services are in class 39 of the “International Classification of Goods and Services”.

The application proceeded to publication because of distinctiveness acquired through use.

The colour blue is claimed as an element of the trade mark.

4) T2L states that it has made extensive use of the above trade marks in particular as a tour operator, flight consolidator and wholesaler of tailor-made travel services to the travel industry for both private and business travellers to the United States of America, Canada, the Caribbean and Central and South America. T2L also claims that it provides related advertising and promotional services to members of the travel trade and educational services to both travellers and potential travellers and members of the travel trade. T2L states that its business has been very successful and has won many industry awards. Consequently, T2L claims that its trade marks are well-known to members of the relevant trade and to the public and it has built up a sizeable goodwill and reputation in each of them.

5) T2L states that its trade marks are similar to the trade mark of DGL. It further states that the services of the application in classes 39 and 42 are the same or similar to those of

its registration. As far as classes 35 and 41 are concerned, T2L states that the services in these classes are similar to those of its registrations. Consequently, there is a likelihood of confusion and registration of the trade mark would be contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act).

6) T2L claims, in the alternative, if any of the services of the application are found not to be similar, that use of the trade mark would take unfair advantage of or be detrimental to the distinctive character or the repute of its registered trade marks. T2L claims that:

- members of the trade and/or public are likely to be confused by the use of the trade mark applied for and believe that the services in relation to which they are used are services of, licensed by or otherwise connected in the course of trade with TRAVEL 4 and/or
- the use of the trade mark applied for would interfere with the exclusive right conferred by T2L's registrations and, in particular, would affect the ability of the TRAVEL 4 trade marks to serve as an indication that the services in relation to which they are used are those of T2L, licensed by it or otherwise connect in the course of trade with T2L and/or
- use of the trade marks applied for may be taken as an indication that the services offered under the trade mark applied for are the same or similar services to those offered under the TRAVEL 4 trade marks but better value for money.

Consequently, registration of the trade mark would be contrary to section 5(3) of the Act.

7) T2L states that it has a goodwill and reputation in its trade marks. It states that use of DGL's trade mark would be likely to lead members of the relevant trade and/or public to believe that DGL's services were licensed or otherwise connected in the course of trade to T2L. T2L states that not only would it be likely to be deprived of business but that any dissatisfaction with the nature or standard of service offered under the trade mark would have an adverse effect upon T2L's reputation. Accordingly, use of the trade mark is liable to be prevented by the law of passing-off and registration of the trade mark would be contrary to section 5(4)(a) of the Act.

8) T2L claims that the trade mark does not satisfy the requirements of section 1(1) of the Act and/or is devoid of distinctive character and/or consists exclusively of signs which may serve in trade to designate the kind, quality or other characteristics of the services in respect of which registration is sought. T2L states that the trade mark is comprised of words which are the phonetic equivalent of the words "travel for less" and/or the designation ".com" merely serves to indicate that the business is conducted wholly or largely on the Internet. Consequently, registration of the trade mark would be contrary to sections 3(1)(a), (b) and/or (c) of the Act.

9) T2L requests the refusal of the application and an award of costs.

10) Throughout the statement of grounds reference is made to the trade marks, in the plural. The heading of the statement of grounds even refers to two trade marks. It appears that T2L is under the misapprehension that the application is for a series of two trade marks. There has been no indication at any stage that an application for a series of trade marks was being made. I cannot envisage that T2L's position would have been any different if it had considered the application as being for just one trade mark. (I also take into account that this matter has not been raised by DGL in its counterstatement.)

11) DGL filed a counterstatement in which it denies all the grounds of opposition. It requests that the application proceeds to registration and seeks an award of costs.

12) Only T2L filed evidence.

13) After the completion of the evidence rounds both sides were advised that it was believed that a decision could be made without recourse to a hearing. However, the sides were advised that they retained their rights to a hearing. Neither side requested a hearing. No written submissions were received.

EVIDENCE OF T2L

Evidence relating to use of TRAVEL 4

14) The main evidence comes by way of two statutory declarations made by Stuart Neil Harvey. Mr Harvey is joint managing director and joint founder of T2L. T2L started trading using TRAVEL 2 on 12 January 1982 (see financial statement for year ending 31 March 1983 – exhibit SH1). The TRAVEL 4 division of the company was established in 1990. T2L provides travel services to the public as a tour operator, flight consolidator and a wholesaler of tailor-made travel services. Mr Harvey does not advise what a flight consolidator is. However, from the exhibits I have assumed it involves the business of acting as an intermediary between airlines and travel agents in selling seats for flights. It operates under two trade marks TRAVEL 2 and TRAVEL 4. TRAVEL 4 is the trade mark used in relation to travel services involving the United States of America, Latin America, Hawaii, Alaska, Canada, the Caribbean and South America. The turnover of T2L for the year ending 31 March 2003 was £177 million. From the exhibited evidence it appears that at the material date, 13 July 2001 – the date of application – that TRAVEL 4 services were limited to the United States of America (including Hawaii), Mexico and Canada. A document exhibited at SH3 states:

“In November 2002 the company unveiled its first ever ‘*Discover Latin America*’ programme, featuring some fascinating holiday possibilities in Ecuador, Peru, Chile, Argentina and Brazil.”

Mr Harvey also states:

“The only changes I can think of from the profiles produced in year 2001 would be the addition of Latin America....”

15) Mr Harvey states that the turnover in the year prior to July 2001 would have been even greater owing to a fall-off in business after 11 September 2001. An earlier statutory declaration of Mr Harvey is adduced into the proceedings by way of an exhibit. This declaration was completed in relation to the application to register no 2209811. In that declaration Mr Harvey stated that, as of June 2000, he estimated that TRAVEL 4 was responsible for 45% of the passengers carried by T2L and 30% of the sales generated. He gives the following figures in relation to the T2L business:

Year ending	Turnover	Advertising and Promotion
31 March 1991	£49,207,595	not known
31 March 1995	£93,497,583	£438,780
31 March 1998	£115,660,129	£794,969
31 March 1999	£123,191,298	£886,398

Mr Harvey states that for the twelve month period prior to the material date that T2L arranged holidays for over 250,000 passengers. Taking into account his estimate that TRAVEL 4 carries 45% of the passengers of T2L, this would leave a figure of approximately 112,500 passengers.

16) T2L sells its services through a network of some 6,000 independent travel agents in the United Kingdom, to which its brochures are distributed. Mr Harvey states that it also sells its services directly to the public in conjunction with agents. I am confused as to what this means. If the services are sold in conjunction with agents, how are they being sold directly? This statement also seems in contradiction of the material exhibited at SH5 which advises a potential client, and his local travel agent, that TRAVEL 4 does “not take direct bookings because we feel that the travel agent’s role is vital in helping clients plan their long-haul itineraries”.

17) A good deal of the exhibited evidence emanates from after the material date. However, there is also a good deal which emanates from before it; that which is exhibited to Mr Harvey’s first declaration must all emanate from before the material date.

18) The publicity for services supplied under the trade mark has been through the trade press, “fax fliers” to travel agents and window displays in travel agents. The advertising in the trade press has been regular, frequent and for a lengthy period. The “fax fliers” are as the name suggest fliers sent by facsimile transmissions, these are sent to travel agents to advise them of services/offers being made for TRAVEL 4 services. Details of this service is given by way of a statutory declaration made by Vikki Meagher, as well as by Mr Harvey, the “fax fliers” being sent out by a third party. The fliers are sent out on a regular basis. The travel agents which deal with T2L would receive between one and three “fax fliers” each week. The window displays are regular, organised and appear across the country. Publicity will have also been generated through the presence of brochures in travel agents. However, there does not seem to have been advertising directly to the public through print and broadcast media. Certain material, such as compliment slips, invoices, conditions for travel and letters, are common to both

TRAVEL 2 and TRAVEL 4, so TRAVEL 2 customers will have had the TRAVEL 4 trade mark before them even if they do not use TRAVEL 4 services. TRAVEL 4 also appears in various trade directories. Every year since 1995 T2L has organised at least two trips for travel agents to Canada and the United States of America. Up to twenty travel agents are taking on these trips, which Mr Harvey describes as “educational visits”. Mr Harvey states that in 2003/2004 144,000 and 145,000 copies of the brochures “400 Ways to America” and “Discover Canada” were produced respectively. He states that the same approximate number, or more, would have been produced for the fifteen month period commencing on 1 January 2001. TRAVEL 4 has won a large number of awards from the trade, these include awards from airlines, tourist boards, trade papers and travel agents.

Evidence relating to use of the DGL trade mark

19) Mr Harvey first became aware of the use of the trade mark in or about May 2002 when he saw it on a London bus and in an advertisement in “Travel Weekly” of 29 April 2002. The latter advertisement is for staff and shows the trade mark of the application with the slight variation that the curved line is thinner, the lower wording is the same length as the upper wording and there is no difference in shading or colouring of any parts of the trade mark. The advertisement states that “Travel4less are an independent long and short haul specialist tour operator with over fifteen years’ experience in selling directly to the public”. Mr Harvey states that this statement is not true, although it might be claimed that DGL has been in existence for this period.

20) Mr Harvey states that he contacted his solicitors who undertook some investigation. Travel4Less is the online portal of DGL and was operated on the domain names travel4less.co.uk (registered on 26 October 1999) and travel4less.com (registered on 2 July 2001). Travel4Less Limited, a member of the DGL group, was dormant in April 2001. Internet archive searches are exhibited at SH15. The searches simply show the number of web pages and dates when the sites were updated. The travel4less.com archive shows one page in 1996, two in 1997, none in 1998, three in 2000, five in 2001 and none in 2002. The archive for travel4less.co.uk shows eight pages for 2001 and none for 2002. Five pages from the Internet relating to Travel4Less are also exhibited at SH15. The pages show the Travel4Less is the brand that encompasses various other 4 Less brands eg Flights 4 Less and Holidays 4 Less. Exhibited at SH16 are pages from the website seeAmerica.org. These pages list various travel companies including T2L and Travel4Less. The latter is described in the following terms:

“Travel4less is a direct sell global tour operator offering packages, flights and ancillary services. In North America our core business lies within city/shopping breaks, Florida, fly-drive, and the West Coast markets; with soft adventure, historical and ski as emerging markets. We offer a fully tailor made service that caters for any request made by our clients.”

Mr Harvey states that Lastminute.Com plc has purchased DGL. Mr Harvey refers to without prejudice discussions with Lastminute.Com. As such discussions were without

prejudice it would not be appropriate to take into account anything that he reports took place at those discussions. Mr Harvey is concerned by the resources that Lastminute.Com will bring to the business of DGL and Travel4Less. I do not see that this has a bearing upon the case.

21) Mr Harvey states that TRAVEL 4 did once deal with a company from the DGL group of companies, Destination Marketing, in respect of a Mississippi steamboat. He states that T2L had difficulty in obtaining payment from this company as a result of the bankruptcy of the steamboat company.

22) Mr Harvey states that he received a telephone call from Andrew Swaffield, general manager for leisure sales of British Airways, in or about December 2002. Mr Swaffield told him that he has come across Travel4Less recently and thought it might be a new trading name for TRAVEL 4. He had telephoned to ask if this was the case. Mr Harvey received a similar telephone call from Simon Spinks, sales director of KLM Airlines. (Mr Spinks has submitted a statutory declaration.) Mr Harvey also refers to the confusion discovered by Allyson Smith, TRAVEL 4 product manager. Ms Smith has also submitted a statutory declaration. I deal with the statutory declarations of Ms Smith and Mr Spinks below.

23) In his second declaration Mr Harvey returns to T2L's brief commercial relationship, in 1998, with Destination Marketing Limited. He exhibits at SH(2)(3) a contract between TRAVEL 4 and Destination Marketing Limited dated March 1998. A copy of the annual return of Destination Marketing Limited to Companies House dated 14 August 2000 is exhibited. DGL is shown as the sole shareholder. On 10 June 2002 all the shares were transferred to Routeplan Limited. Routeplan, as of 10 June 2002, had one share which was jointly owned by Mrs Mary Fiona Kumar and Mr Rajinder Kumar. At one time the registered offices of both companies were at the same address.

24) Mr Harvey goes on to exhibit the annual returns for a company called Destination USA Limited for 1995, 2000 and 2002. Two of the directors are listed as Rajinder Kumar and Fiona Saunders, both living at the same address. Mr Harvey believes that Ms Saunders became Mrs Kumar. This would seem a reasonable inference as she has the same date of birth as recorded for Mary Fiona Kumar. Also the list of company appointments exhibited at SH(2)(6) shows Mrs Kumar as having been a director since 1992. There has been no denial that Ms Saunders and Mrs Kumar are the one and the same. From the evidence before me I draw the conclusion that they are. As of 30 September 1994 both shares in the company were held by DGL. Mr Kumar is listed as being a director of DGL.

25) In 1995 Destination USA Limited became a client of T2L, in its capacity as a travel agency. In the main it purchased flight bookings between then and 2001. Mr Harvey exhibits a copy of a facsimile transmission from Destination USA Limited to TRAVEL 2 dated 22 December 1992 signed by Mr Kumar. Mr Harvey gives the annual revenue from Destination USA Limited to T2L as follows:

1995	£4,887
1996	£13,236.83
1997	£2,913.96
1998	£1,530.25
1999	nil
2000	nil
2001	£1,240.22

Mr Harvey also exhibits evidence to show that DGL, Destination USA, the various “4 Less” websites and Lastminute.com all have the same ABTA number.

26) Mr Harvey exhibits at SH(2)(6) the annual returns for DGL for 1996, 1997 and 2002. The 1996 and 1997 returns show Ms Saunders as the sole shareholder. She and Mr Kumar are listed as being the directors of DGL and various other Destination companies. The 2002 returns show Mr and Mrs Kumar as being directors. The entire share capital is by this time held by DGL Management (UK) Ltd. Mr Harvey goes on to show that as of 27 February 2002 Mr and Mrs Kumar are directors of DGL Management (UK) Ltd and equal holders of all the shares in the company.

27) Mr Harvey exhibits at SH(2)(8) pages downloaded from the south-africa-holidays4less.co.uk and the travel4less.co.uk websites. These pages show that travel4less is used in two main ways; in the form just written and also in the form Travel 4 Less.

28) Mr Harvey states that the approach of DGL in starting and expanding the Travel4Less brand was to have a network of websites all ending 4Less under the umbrella brand Travel4Less. He states that the one occurring theme on all the websites is the presence in the top left-hand corner of the logo which forms part of the trade mark.

29) Mr Harvey states that searching on the Internet for travel4less and travel 4 Less will give two different results, particularly when using Google. He states that if travel4less is used a handful of the results relate to the websites forming part of the Travel4Less group. If the search term is Travel 4 Less, the vast majority of the hits relate to sites which form part of the Travel4Less group. Pages downloaded from the Internet are exhibited in relation to this. I calculate that probably thirteen of the websites hit by the former term are related to the business of DGL. The vast majority of the other hits seem to be from third parties with links to DGL websites.

30) Mr Spinks states in his statutory declaration that he, on behalf of KLM, has dealt with TRAVEL 4 since its inception in 1990. He states that in or around November 2002 he recalls seeing an advertisement by a company calling itself Travel 4 Less. He cannot recall where he saw the advertisement but it was in the print media. Mr Spinks states that his immediate reaction was that it was a branch or subsidiary of TRAVEL 4. He states that he was surprised as he knew that TRAVEL 4 was based on the principle that it would not sell its services directly to the public. Mr Spinks states that it was the use of Travel 4 that attracted his attention, the use of less did not strike him so much. He states that this was because TRAVEL 2 and TRAVEL 4 have a wide reputation in the industry. Mr

Spinks states that he would have spoken to Mr Harvey at the beginning of the following week to express his amazement that TRAVEL 4 had started a direct selling arm.

31) Ms Smith in her statutory declaration states that in about January 2003 she travelled to Florida for a trade show known as the "Florida Huddle". At this trade show the suppliers set out their stalls and purchasers such as herself visit them. Each purchaser was also given a booth for approximately thirty minutes for each of the two days of the show for the purpose of attracting suppliers in order to establish relationships. She states that many suppliers came to the booth to discuss opportunities for TRAVEL 4 to purchase ground product; ground product covers such things as car hire, cruises, adventure packages and transfers. Ms Smith states that many of the suppliers who came to the booth had come to try to agree a contract with Travel4Less. She states that in each of the two thirty minute periods she saw between fifteen and twenty suppliers of whom the majority were confusing TRAVEL 4 with Travel4Less.

32) Ms Smith states that she was researching a new product in the Caribbean on 5 May 2003. She had organised a meeting at a resort on Barbados known as Cobblers Cove. Ms Smith states that the meeting had been arranged with an Evette Bishop-Clark, who is the front office manager, and the manager of the resort. Ms Bishop-Clark complained about payment problems that she was having with TRAVEL 4 and e-mails not being answered. Ms Smith discovered that Ms Bishop-Clark was talking about Travel4Less. Ms Bishop-Clark told her that when she arranged the meeting she believed that TRAVEL4 and Travel4Less were one and the same company.

33) Ms Smith attended meetings in Canada with Kim Bryceland who worked for TRAVEL 4's agent in Canada. She states that two or three people in meetings confused TRAVEL 4 with Travel4Less.

DECISION

Reputation of TRAVEL 4

34) The reputation of the trade marks of T2L has a bearing upon the objections under sections 5(2)(b), 5(3) and 5(4)(a) of the Act. Consequently, I consider it appropriate to deal with the issue of reputation in relation to these three grounds at the beginning of the decision.

35) For the purposes of sections 5(2)(b) and 5(3) of the Act the material date for the establishment of reputation is the date of application, 13 July 2001. It is well established that the material date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9). Section 5(4)(a) is derived from article 4(4)(b) of First Council Directive 89/104 of December 21, 1998 which states:

“rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark”.

The relevant date cannot, therefore, be later than the date of the application for registration. There is no evidence of use of the trade mark by DGL prior to 13 July 2001, so this is also the material date for the purposes of section 5(4)(a) of the Act.

36) The evidence of T2L shows use of TRAVEL 4 for all the services of the registrations with the exception, in my view, of travel agency services. T2L shows in its evidence that it works through travel agencies. It supplies its services through the third party of a travel agency, it does not supply travel agency services itself. I have no doubt that in relation to *the arranging of travel, holidays, tours and trips and reservation services* T2L has a protectable goodwill for the purposes of passing-off. The services at the material date were all supplied and related to the United States of America, Canada and Mexico. However, in relation to the passing-off claim in this particular case, I cannot see that anything turns upon this.

37) The test for reputation in relation to section 5(3) of the Act is set out in *General Motors Corporation v Yplon SA* (Case C-375/97) [2000] RPC 572 (*Chevy*) where the European Court of Justice (ECJ) stated:

“Article 5(2) of the First Council Directive (89/104/EEC) of 21 December 1988 to approximate the laws of the Member States relating to trade marks is to be interpreted as meaning that, in order to enjoy protection extending to non-similar products or services, a registered trade mark must be known by a significant part of the public concerned by the products or services which it covers. In the Benelux territory, it is sufficient for the registered trade mark to be known by a significant part of the public concerned in a substantial part of that territory, which part may consist of a part of one of the countries composing that territory.”

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant factors of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use and the size of the investment made by the undertaking in promoting it.”

“The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.”

The persons buying the services of T2L, if through the intermediary of a travel agent, are the public at large. The public at large is the public concerned. I cannot see that there is

any particular segment of the public who would be concerned. Holidays are taken by the vast majority of people. There is no doubt a good deal of penetration amongst those who visit the six thousand independent travel agents and are considering holidays in the United States; or who buy TRAVEL 2 holidays and receive common stationery. However, there is an absence of use of public mass media, no broadcast advertisements, no advertisements in the ordinary press. I have no idea as to how many independent travel agents there are, nor how many chain travel agents. Clearly services under the TRAVEL 4 trade marks have sold well. However, I have no way of gauging market penetration or public perception. From the evidence before me I simply cannot decide if a significant part of the holiday going public know of the TRAVEL 4 trade marks. The evidence cannot, in my view, lead to a conclusion that T2L has established the kind of knowledge in the public concerned that the ECJ considers necessary. It is for T2L to prove its reputation within the terms of section 5(3) of the Act and I do not consider that it has so done.

38) In *Sabel BV v. Puma AG* [1998] RPC 199 the ECJ held that:

“In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact the two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either *per se* or because of the reputation it enjoys with the public”.

So where a trade mark does not enjoy a good deal of inherent distinctiveness, its distinctiveness can be made greater through use and so there could be a greater likelihood of confusion with a later trade mark. In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 the ECJ whilst approving the above finding from *Sabel* found that reputation could have a wider effect upon the global appreciation of likelihood of confusion. The ECJ stated:

“the distinctive character of the earlier trade mark, and in particular its reputation, must be taken into account when determining whether the similarity between the goods or services covered by the two trade marks is sufficient to give rise to the likelihood of confusion”.

Reputation cannot make goods or services similar or more similar, that is a question of fact. However, where, for instance, there is a low degree of similarity between the goods or services (the respective signs being similar or identical) it can lead to the critical mass for a likelihood of confusion being reached.

39) The public concerned is the holidaying public at large. It is those at large who make use of the services. It cannot be confined to a segment of the trade, ie the six thousand independent travel agents that T2L uses or even those who visit those travel agents. The public concerned cannot be segmented off to suit the trade of the owner of a trade mark. Otherwise a reputation could be claimed for the most localised of businesses. The public

concerned is the average consumer of the services. In *Reed Executive plc and Reed Solutions plc v Reed Business Information Ltd and Reed Elsevier (UK) Ltd, totaljobs.com Ltd* [2004] EWCA Civ 159 Jacob LJ stated:

“82. Next the ordinary consumer test. The ECJ actually uses the phrase "average consumer" (e.g. *Lloyd* paragraphs 25 and 26). The notion here is conceptually different from the "substantial proportion of the public" test applied in passing off (see e.g. *Neutrogena v Golden* [1996] RPC 473). The "average consumer" is a notional individual whereas the substantial proportion test involves a statistical assessment, necessarily crude. But in the end I think they come to the same thing. For if a "substantial proportion" of the relevant consumers are likely to be confused, so will the notional average consumer and vice versa. Whichever approach one uses, one is essentially doing the same thing – forming an overall ("global") assessment as to whether there is likely to be significant consumer confusion. It is essentially a value judgment to be drawn from all the circumstances. Further conceptual overelaboration is apt to obscure this and is accordingly unhelpful. It may be observed that both approaches guard against too "nanny" a view of protection – to confuse only the careless or stupid is not enough.”

There is a connection between the average consumer and his or her statistical validity as a survey sample. The average consumer I am considering must represent a wide cross-section of holiday makers. I do not consider that T2L has shown that TRAVEL 4 is known to this wide cross-section. Indeed, the nature of the sales of its services and the absence of advertising to the public through the print and broadcast media militates against any such finding.

40) I conclude, therefore, that T2L cannot look for assistance in its claim from reputation in respect of the ground of opposition under section 5(2)(b) of the Act.

Grounds of opposition under sections 3(1)(a), (b) and (c) of the Act

41) Sections 3(1)(a), (b) and (c) of the Act states:

- “3.— (1) The following shall not be registered—
- (a) signs which do not satisfy the requirements of section 1(1),
 - (b) trade marks which are devoid of any distinctive character,
 - (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
.....

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.”

Section 1 (1) of the Act states:

“1.— (1) In this Act a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings.

A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.”

42) There is no evidence of use of the trade mark prior to the date of the filing of the application, so the proviso cannot assist DGL.

43) The basis of the ground of opposition under section 3(1)(a) of the Act is that the trade mark is incapable of distinguishing the goods from those of other undertakings. In *Philips Electronics NV v Remington Consumer Products Ltd* [2003] RPC 2 the European Court of Justice held that:

“It is true that Art.3(1)(a) of the Directive provides that signs which cannot constitute a trade mark are to be refused registration or if registered are liable to be declared invalid.

37 However, it is clear from the wording of Art.3(1)(a) and the structure of the Directive that that provision is intended essentially to exclude from registration signs which are not generally capable of being a trade mark and thus cannot be represented graphically and/or are not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

38 Accordingly, Art.3(1)(a) of the Directive, like the rule laid down by Art.3(1)(b), (c) and (d), precludes the registration of signs or indications which do not meet one of the two conditions imposed by Art.2 of the Directive, that is to say, the condition requiring such signs to be capable of distinguishing the goods or services of one undertaking from those of other undertakings.

39 It follows that there is no class of marks having a distinctive character by their nature or by the use made of them which is not capable of distinguishing goods or services within the meaning of Art.2 of the Directive.

40 In the light of those considerations, the answer to the first question must be that there is no category of marks which is not excluded from registration by Art.3(1)(b), (c) and (d) and Art.3(3) of the Directive which is none the less

excluded from registration by Art.3(1)(a) thereof on the ground that such marks are incapable of distinguishing the goods of the proprietor of the mark from those of other undertakings.”

Consequently, for T2L to succeed under section 3(1)(a) of the Act the trade mark must be of such a nature that it can never act as a trade mark. The nature of the trade mark needs to be such that its failings can never be “cured” by use, it is Bach Flower Remedies for Bach Flower Remedies (see *Bach and Bach Flower Remedies Trade Marks* [2000] RPC 513). I cannot see that T2L’s trade mark, even if it is objectionable under sections 3(1)(b) and/or (c) of the Act, is of such a nature that it can never act as a trade mark.

44) Consequently, I dismiss the ground of objection under section 3(1)(a) of the Act.

45) The European Court of Justice (ECJ) in *Libertel Groep BV v Benelux Merkenbureau* (C104/01) [2004] FSR 4 dealt with the issues involved in section 3(1)(b) of the Act; although in the context of a colour trade mark. In that case the ECJ stated:

“That approach is incompatible with the scheme of the Directive, which is founded on review prior to registration, not an *a posteriori* review. There is nothing in the Directive to suggest that Article 6 leads to such a conclusion. On the contrary, the large number and detailed nature of the obstacles to registration set out in Articles 2 and 3 of the Directive, and the wide range of remedies available in the event of refusal, indicate that the examination carried out at the time of the application for registration must not be a minimal one. It must be a stringent and full examination, in order to prevent trade marks from being improperly registered. As the Court has already held, for reasons of legal certainty and good administration, it is necessary to ensure that trade marks whose use could successfully be challenged before the courts are not registered (Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 21).

It is settled case-law that the essential function of a trade mark is to guarantee the identity of the origin of the marked goods or service to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin (see *Canon*, paragraph 28, and Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 22). A trade mark must distinguish the goods or services concerned as originating from a particular undertaking. In that connection, regard must be had both to the ordinary use of trade marks as a badge of origin in the sectors concerned and to the perception of the relevant public.

The relevant public, as defined in paragraph 46 of this judgment, is made up of average consumers, reasonably well-informed and reasonably observant and circumspect.

Account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place

his trust in the imperfect picture of them that he has kept in his mind (see, in different contexts, *Lloyd Schuhfabrik Meyer*, paragraph 26, and Case C-291/00 *LTJ Diffusion* [2003] ECR I-0000, paragraph 52).”

In *Cycling Is...TM* [2002] RPC 729, Mr Hobbs QC, sitting as the appointed person, describes trade marks as being origin neutral and origin specific ie those which act as an indicator of origin and those which do not. The purpose of a trade mark is to indicate origin. In *Sykes Enterprises, Incorp v OHIM (Real People Real Solutions)* T-130/01 the CFI stated:

“Since the relevant consumer is not very attentive if a sign does not immediately indicate to him the origin and/or intended use of the object of his intended purchase, but just gives him purely promotional, abstract information, he will not take the time either to enquire into the sign's various possible functions or mentally to register it as a trade mark.”

As the ECJ stated in *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (Case C-363/99) the consideration of the registrability of a trade mark has to be made in relation to the goods and or services that it encompasses:

“As regards the second part of the question, whether a mark has distinctive character must be assessed, as has been observed in paragraph 34 of this judgment, first, by reference to the goods or services in respect of which registration of the mark has been sought, and, second, by reference to the way in which it is perceived by the relevant public, which consists of average consumers of those goods or services, reasonably well informed and reasonably observant and circumspect.

It follows that if, on completion of the examination of a trade mark application, the competent authority finds, in the light of all the relevant facts and circumstances, that the average consumer of certain goods or services, reasonably well informed and reasonably attentive, perceives a mark as devoid of any distinctive character with regard to those goods or services, it must refuse to register the mark for those goods or services pursuant to Article 3(1)(b) of the Directive.”

46) I need to decide whether the trade mark:



used in respect of the services encompassed by the application is devoid of any distinctive character for some and/or all of the services; whether it will be seen by the average consumer as an indicator of origin.

47) travel4less on its own, in relation to travel or travel related services, tells me and I believe the average consumer simply that the services will cost less than other services. (In my experience the use of 4 for “for” is trite and common place, it adds little or nothing.) As such the words travel4less would not act as an indicator of origin. However, the trade mark is more than travel4less. It includes a website address and a curved arrow. The website address does not act per se as an indicator of an economic undertaking. It simply identifies that there is an address from which more information could be gathered. A website address is not an indication of an undertaking supplying the services of the application. It could be simply a commonly owned website with links to various other websites, a website that allows contact with undertakings supplying cheap travel. In *Philips Electronics NV v Remington Consumer Products Ltd* Case C-299/99 [2003] RPC 2 the ECJ stated:

“First, it is clear from Article 2 of the Directive that a trade mark has distinctive character if it serves to distinguish, according to their origin, the goods or services in respect of which registration has been applied for. It is sufficient, as is clear from paragraph 30 of this judgment, for the trade mark to enable the public concerned to distinguish the product or service from others which have another commercial origin, and to conclude that all the goods or services bearing it have originated under the control of the proprietor of the trade mark to whom responsibility for their quality can be attributed.”

A website address does of itself identify that the services are supplied under the control of DGL. It could be seen as simply part of an advertising campaign, from which more information will be gathered. The ending co.uk does not add anything decisive to this matter, no more than seeing street instead of road tells one anything in particular about a traditional address. It could also be seen as just acting like an electronic magazine, in which various persons advertise their wares. That is not to say that all Internet addresses are devoid of any distinctive character, it will depend on the particular trade mark and the particular goods and services. If the contrary position was taken every non-distinctive sign would become distinctive by the simple addition of a web address indicator.

48) The trade mark was filed in colour. However, it is not limited to colour and so I do not see that anything turns upon this. Even if there was a claim to colour I do not see that the nature of the use of colour adds greatly to the issue. The trade mark also includes the curved arrow device.

49) None of the individual elements of the trade mark would, in my view, act as an indicator of origin. However, non-distinctive elements can combine to form a distinctive whole (see *Diamond T Motor Car Co, Re* (1921) 38 R.P.C. 373). This is most likely to happen when the elements fuse together to form a whole that is different from the parts. I do not consider that there is any such fusion in relation to this trade mark. The upper and lower elements appear separate, although conveying the same message. This is probably why T2L was under the misapprehension that the application was for two different trade marks. I do not see that piling various non-distinctive elements upon other non-distinctive elements will per se give rise to a distinctive whole which the average

consumer will see as an indicator of origin. Still, it could be that the juxtaposition of non-distinctive elements could in their overall effect lead the average consumer to see an identification of origin.

50) Considering the trade mark as a whole, I am of the view that it is a sign that gives a promotional message and identifies the characteristics of services relating to travel, costing less, and not one that will be seen, in the absence of acquired distinctiveness, as an indicator of origin. Consequently, the trade mark is devoid of any distinctive character in relation to such services. The class 39 and 42 services are clearly travel related and in relation to them the trade mark as well as giving a promotional message it also describes a characteristic of the services. The class 35 and 41 services are not specifically related to travel. However, taking the nature of the sign I do not see that it will be giving an origin specific message. It will not be registered mentally as a trade mark, it will be seen as promotional. I am, therefore, of the view that for class 35 and 41 the trade mark is also devoid of any distinctive character.

51) Registration of the trade mark for all services would be contrary to section 3(1)(b) of the Act and the application is to be refused in its entirety.

52) Jacobs AG in his opinion in *Procter & Gamble v. Office for Harmonization In the Internal Market* [2001] ETMR 75 stated:

“As the Court of First Instance rightly noted, it is sufficient for one of the absolute grounds for refusal to apply for a sign to be ineligible for registration as a trade mark. Moreover, I cannot envisage any circumstances in which, in practice, it might be important to determine whether more than one absolute ground might apply.”

I do not, therefore, consider it necessary to consider the ground of opposition under section 3(1)(c) of the Act. I certainly cannot see that T2L could be in any better a position under section 3(1)(c) of the Act.

Ground of opposition under Section 5(3) of the Act

53) Section 5(3) of the Act states:

“(3) A trade mark which -

- (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would

take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

54) I have decided above that T2L has not established that its trade marks enjoy the type of reputation required for section 5(3) of the Act. **In the absence of such a reputation T2L cannot succeed and the ground of opposition under section 5(3) of the Act must be dismissed.**

Ground of opposition under section 5(2)(b) of the Act – likelihood of confusion

55) According to section 5(2)(b) of the Act a trade mark shall not be registered if because:

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

The term ‘earlier trade mark’ is defined in section 6(1) of the Act as follows:

“a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks”.

T2L’s trade marks are earlier trade marks within the terms of section 6(1) of the Act.

56) In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 and *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77.

Similarity of services

57) In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J considered that the following should be taken into account when assessing the similarity of goods and/or services:

- “(a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, the European Court of Justice held in relation to the assessment of the similarity of goods and services that the following factors, inter alia, should be taken into account: their nature, their end users and their method of use and whether they are in competition with each other or are complementary. I do not consider that there is any dissonance between the two tests. However, taking into account the judgment of the European Court of Justice, I may need to consider whether the respective services are complementary.

Neuberger J in *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 stated:

“I should add that I see no reason to give the word "cosmetics" and "toilet preparations" or any other word found in Schedule 4 to the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

I also bear in mind the comments of Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* where he stated:

“When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade.”

I take on board the class in which the goods or services are placed is relevant in determining the nature of the goods and services (see *Altecnic Ltd's Trade Mark Application* [2002] RPC 34). In relation to the comparison of services I firmly bear in mind the comments of Jacob J in *Avnet Incorporated v Isoact Ltd* [1998] FSR 16:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

Although it dealt with a non-use issue I consider that the words of Aldous LJ in *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2003] RPC 32 are also useful to bear in mind:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

58) The services of the two registrations are:

the arranging of travel, holidays, tours and trips, travel agency and reservation services included in the class.

The services of the application are:

advertising and promotional services, all including those provided on-line from a computer database or the Internet; compilation of directories for publishing on the Internet; compilation of advertising as web pages on the Internet;

travel services and services relating thereto; passenger transport services, arranging tour packaging, excursions, including the provision of local tour guide services, arranging of transportation and car hire, flights, tourist information services, arranging of sports holidays and activity holidays, including such services provided on-line from a computer database or the Internet; information services relating to travel;

the provision of information relating to entertainment or education, including such services provided on-line from a computer database or the Internet;

accommodation services, including such services provided on-line from a computer database or the Internet.

59) The claim that the respective services are similar is more by way of assertion than analysis. **However, I do not consider that it requires any particularly acute analysis to draw the conclusion that all the class 39 services, with the exception of *passenger transport services*, of the application include or are included in the services of the earlier registrations. These services are either identical or so close that it makes no difference.** This leaves *passenger transport services* to consider. The term, in my view, will include such things as transportation of passengers by boat, plane, train and coach. Transport arrangements form a core part of the arrangement of holidays and travel agency services. The majority of the latter services would collapse without the arrangement of the transport of the holidaymaker. Passenger transport undertakings also use travel agencies to sell their services. The respective services are, therefore, complementary. The user using both sets of services could well be someone travelling and seeking

transport, consequently, the user is the same. Both sets of services, to state the obvious, relate to travel. The services could be purchased in the same place eg a travel agency. **Consequent upon the foresaid, I consider that *passenger transport services* are similar to the services of the earlier registrations.**

60) I turn now to *accommodation services, including such services provided on-line from a computer database or the Internet*. In considering these services and those of the registrations it is necessary to keep firmly in mind the classes of the two sets of services. Accommodation services, including those involving the booking of accommodation, were at the time of the filing of the registrations and the applications, in class 42. The class 39 specification as such does not include the booking of accommodation; class 39 is concerned with transport, travel, packaging and the storage of goods. Indeed the explanatory note to the 7th edition of the “International Classification of Goods and Services”

states that class 39 in particular does not include: “services relating to reservation of rooms in a hotel by travel agents or brokers (Cl.42)”. So the registrations of T2L do not encompass accommodation related services, even if their actual business does.

61) That accommodation services are not covered by T2L’s registrations does not mean, of course, that its services and those of DGL’s applications are automatically not similar. The traveller often requires accommodation. Travel agencies arrange accommodation as well as travel and very often as part of the same package. The parts of the service may be split by classification, they are not split in trade. So the respective services are often bought from the same source, and often at the same time. **Taking the above into account, I find that *accommodation services, including such services provided on-line from a computer database or the Internet* are highly similar to the services of T2L’s registrations.**

62) I cannot readily see where the services of the application in classes 35 and 41 intersect with those of T2L’s registrations within the criteria of *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* and *British Sugar Plc v James Robertson & Sons Limited*. The respective services strike me as being very different. How, for instance, are *advertising services* similar to *travel agency services*? There is no explanation from T2L. Is the argument that the advertising service might advertise travel and so be similar to travel related services? This would mean that advertising services were potentially similar to everything that they might be used to advertise. The key point is that the purpose of advertising, the users, the means of use, the places they are provided from, the nature of the trade are all very different to, for instance, travel agency services. I have taken *advertising services* as an example, I am of the view that the same sort of analysis applies to all the class 35 and 41 services of the application. **I find that the class 35 and 41 services of the application are not similar to the services of the earlier registrations.**

Similarity of trade marks

63) The trade marks to be compared are:

T2L's trade marks:



TRAVEL 4

DGL's trade mark:



I cannot see that T2L can be in any better position in relation to its stylised trade mark than with **TRAVEL 4**. Consequently, I intend to deal with the “non-stylised” trade mark only.

64) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG* page 224). The visual, aural and conceptual similarities of the marks must, therefore, be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components (*Sabel BV v Puma AG* page 224). I take into account the matter must be judged through the eyes of the average consumer of the goods/services in question (*Sabel BV v Puma AG* page 224) who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* page 84, paragraph 27).

65) The common element of the respective trade marks is TRAVEL 4. For the services of T2L's registrations the word TRAVEL on its own clearly lacks any distinctiveness. The same can be said for a single numeral, even if it is pronounced in the same way as for. Consequently, I do not consider that any one part of T2L's trade mark can claim to have a distinctive and dominant element. The distinctiveness of the trade mark very much rests in its totality. In so far as the TRAVEL 4 common element is concerned there is a phonetic identity. In relation to trade marks that consist of words only or mainly, the memory will, in my view, hang onto the semantic content rather than the particular format of the words, unless there is something strikingly noticeable about it. As a result the visual memory will depend more upon the words per se than their particular presentation. There is nothing particularly striking about the presentation of the words in DGL's trade mark. As a result, with the average consumer relying upon memory, I consider that the TRAVEL 4 elements of the respective trade marks are visually similar. The other elements of DGL's trade mark are alien to T2L's trade mark. The respective trade marks have to be compared in their entirety, the public are not in the habit of dissecting trade marks. The similarity or even identity of one element does not mean that the trade marks are similar.

66) DGL's trade mark as a whole clearly identifies services that allow the customer to travel for less ie save money. T2L's trade mark has no clear conceptual association other

than the separate meanings for travel and 4. With no additional matter, it seems to me that T2L's trade mark is likely to be seen simply as the word travel and the numeral 4 with their separate conceptual associations. If other matter was added the conceptual associations would quite probably change. I, however, am dealing with TRAVEL 4 only. Consequently, in considering the trade marks in their entirety, there is a noticeable conceptual difference. It is not just that they are not conceptually similar but that they are actually conceptually dissimilar, despite sharing common elements.

67) The trade marks in their entireties obviously have phonetic and visual differences owing to their additional elements. Even if DGL had claimed colour as an element of its trade mark, owing to the minimal effect of colour in it, I do not consider that anything would have turned upon this.

68) I come to the conclusion that there is a degree of similarity between the trade marks. I deal with whether this would lead to a likelihood of confusion below.

Conclusion in relation to likelihood of confusion

69) To find that there is a likelihood of confusion the respective services have to be similar. This is what First Council Directive 89/104 of December 21, 1988 states and it is what is pointed out in *Sabel BV v Puma AG*:

“it is to be remembered that Article 4(1)(b) of the Directive is designed to apply only if by reason of the identity or similarity both of the marks and of the goods or services which they designate, “there exists a likelihood of confusion on the part of the public”.”

Without similarity of services there cannot be a likelihood of confusion. **Consequently, as I have decided that the class 35 and 41 services of the application are not similar to the services of the registrations, the ground of opposition under section 5(2)(b) of the Act in respect of classes 35 and 41 are dismissed.**

70) In considering whether there is a likelihood of confusion a variety of factors have to be taken into account. As stated above, the average consumer rarely has the chance to compare trade marks directly and so is likely to rely upon imperfect recollection. The European Court of Justice held that a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*). In this case the respective services in classes 39 and 42 are either identical or very similar. It is necessary to consider the nature of the services and the consequent nature of the purchasing decision. Travelling invariably involves some planning and consideration. There is normally a consultative process, whether with travel agents or by an Internet interface. I consider, therefore, that there will be a reasonable amount of care in the purchasing decision. This is put in the scale against confusion. The distinctiveness or otherwise of the earlier trade mark is of importance as there is a greater likelihood of confusion where the earlier trade mark has a particularly distinctive character, either per se or because of the use that has been made of

it (*Sabel BV v Puma AG*). The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (European Court of First Instance Case T-79/00 *Rewe Zentral v OHIM (LITE)*). In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, *Windsurfing Chiemsee Produktions und Vertriebs GmbH (WSC) v Boots und Segelzubehör Walter Huber, Franz Attenberger* (Joined Cases C-108/97 and C-109/97) [1999] ETMR 585). I have already decided above that, on the basis of the evidence presented, T2L cannot claim an enhanced reputation within the terms of section 5(2)(b) of the Act. The TRAVEL 4 trade marks were published on the basis of acquired distinctiveness through use. There is a consequent implication that per se TRAVEL 4 is not distinctive. I do not see that there is a tension between the decision to accept the trade marks upon the basis of acquired distinctiveness and my decision that T2L cannot look for any assistance from claims to a reputation. The former decision simply accepts that T2L managed to get over the bar for acquired distinctiveness, it does not imply that they are particularly distinctive because of use. Having been registered, I then consider the matter on the basis of the validity of the trade marks, which have to be then accorded the rights that accrue from validly registered trade marks. I simply do not go any further in adding to the distinctiveness of the trade marks. At first view TRAVEL 4 does not seem particularly striking in relation to travel services. However, on looking at the trade mark as a whole I cannot see that it directly refers to the services. It obviously strongly alludes to the services sold under it but no more than that. What does TRAVEL 4 say as a whole? If one added words to the end then it could become far worse eg free, pleasure, business or even less. I need to consider the trade mark as it is, not another trade mark. The addition of such words moves it away from a trade mark to an indication of the characteristic of the services. In turning a numeral into a preposition it changes the very nature of the trade mark. It is clear from the evidence that T2L does not add matter to the trade mark, it uses TRAVEL 4 as a trade mark. This indicates that it can work quite happily as a trade mark. I am of the view that as a whole TRAVEL 4 has more than a minimal degree of distinctiveness.

71) There is the conceptual dissonance between the respective trade marks to be considered. This issue was dealt with by the Court of First Instance *Phillips-Van Heusen Corp v Pash Textilvertrieb und Einzelhandel GmbH* Case T-292/01:

“54. Next, it must be held that the conceptual differences which distinguish the marks at issue are such as to counteract to a large extent the visual and aural similarities pointed out in paragraphs 49 and 51 above. For there to be such a counteraction, at least one of the marks at issue must have, from the point of view of the relevant public, a clear and specific meaning so that the public is capable of grasping it immediately. In this case that is the position in relation to the word mark BASS, as has just been pointed out in the previous paragraph. Contrary to the findings of the Board of Appeal in paragraph 25 of the contested decision, that

view is not invalidated by the fact that that word mark does not refer to any characteristic of the goods in respect of which the registration of the marks in question has been made. That fact does not prevent the relevant public from immediately grasping the meaning of that word mark. It is also irrelevant that, since the dice game Pasch is not generally known, it is not certain that the word mark PASH has, from the point of view of the relevant public, a clear and specific meaning in the sense referred to above. The fact that one of the marks at issue has such a meaning is sufficient - where the other mark does not have such a meaning or only a totally different meaning - to counteract to a large extent the visual and aural similarities between the two marks.”

In the above case one trade mark did not have a meaning. Where the other trade mark has a different meaning the effect must, in my view, be all the greater. Mr Hobbs QC, sitting as the appointed person, in *Torremar* [2003] RPC 4 stated:

“At this point it is necessary to observe that marks which converge upon a particular mode or element of expression may or may not be found upon due consideration to be distinctively similar. The position varies according to the propensity of the particular mode or element of expression to be perceived, in the context of the marks as a whole, as origin specific (see, for example, *Wagamama Ltd v City Centre Restaurants Plc* [1995] FSR 713) or origin neutral (see, for example, *The European Ltd v The Economist Newspaper Ltd* [1988] FSR 283).”

With such a conceptual dissonance can it be argued that the trade marks are distinctively similar? Does DGL’s trade mark capture the essence of T2L’s trade mark? This is a matter that is further complicated by the section 3(1)(b) issue. If DGL’s trade mark, at the relevant date, would not act as an indicator of origin how could there be confusion as to origin? T2L’s evidence shows that there has been confusion and so this might answer the question. However, the evidence of confusion has to be considered carefully. There is no indication as to the sign used by DGL that gave rise to the confusion, or other surrounding circumstances – with the exception of Mr Spinks. Those who have been confused are not the average consumer for the services of the trade mark. Ms Smith refers to people abroad, so not United Kingdom consumers. All those confused appear to be in the trade and so with a different knowledge. The best case that T2L has, in my view, is that presented by Mr Spinks and the reported comments of Mr Swaffield. Mr Spinks gives direct evidence and relates to the United Kingdom. However, neither Mr Spinks nor Mr Swaffield is the average consumer. They both have a close relationship with T2L and are in the trade. (The date of the confusion does not concern me. Evidence of confusion will not normally be date sensitive, it gives an indication of what really happens in the market place. There are times when it could be date sensitive, following a promotional campaign for instance. I do not consider that there is anything in this case which suggests date sensitivity.)

72) Having posed the above questions and considered the above issues, I have to come to a conclusion. For the average consumer of the services encompassed by T2L’s registration is there a likelihood of confusion? I have had a great difficulty in reaching an

answer. In the absence of instances of confusion, taking into account the conceptual dissonance between the trade marks, I would have been minded to answer in the negative, despite the proximity/identity of the services. However, the instances of confusion have taken place even though not amongst the average United Kingdom consumer. The confusion has also centred on what is the essence of the trade mark of DGL – travel4less. I cannot see that the position would have been greatly different if those confused saw the trade mark the subject of this application. I am of the view that they do indicate that the average consumer having come across the trade marks of T2L or purchased services from T2L under the TRAVEL 4 trade marks, would be likely to believe that the class 39 and 42 services sold under the trade mark of DGL emanated from the same undertaking or economically linked undertakings.

73) The grounds of opposition under section 5(2)(b) of the Act in relation to classes 39 and 42 are upheld.

Passing-off – section 5(4)(a) objection

74) I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC in the *Wild Child case* [1998] 14 RPC 455. In that decision Mr Hobbs stated that:

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

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

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

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

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

.....Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that; "To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact. In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.””

75) I have already dealt with the material date and the establishment of the goodwill of T2L above.

76) There is a slight difference in the nature of the goodwill and what is covered by the specifications of the registrations. In the case of the former accommodation booking services will be covered but travel agency services will not and vice versa in the case of the latter. The same signs are under consideration. However, there is a different skew to the question under passing-off which I consider requires answering. The case law of the ECJ focuses upon the average consumer of goods and services, the final user. Passing-off looks at purchaser and retailer and wholesaler. As Bankes LJ in *Ewing v Buttercup Margarine Co Ltd* [1917] 34 RPC 232 stated:

"What does this matter if they intend to pass their goods on to the market as being of their manufacture with the intention that they shall retain their identity until they reach the retail purchasers? Or what does it matter that the business of the plaintiff at the present time is mainly confined to Scotland and parts of the North of England? All that seems to me to be perfectly immaterial."

If the wholesaler is deceived and there is likely to be damage that is enough. So if, in this case, the travel agent or the airline is deceived that is enough, if there is damage or is likely to be damage.

77) Passing-off does not give carte blanche in relation to all services even if it is not restricted to what would be considered similar services within the context of section 5(2)(b) of the Act. In *Harrods v Harrodian School* [1996] RPC 697 Millett LJ stated:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant’s goods or services”

In the same case he goes on to state:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

and

“The name "Harrods" may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything.”

In *Stringfellow v McCain Foods (GB) Lt.* [1984] RPC 501 Slade LJ said:

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

I consider that the gap between the class 35 and class 41 services of the application is not bridged, these services are a completely different line of business.

78) The class 39 and 42 services of the application are slap bang in the middle of the services for which T2L enjoys a goodwill. There is evidence that those in the trade have been confused, evidence that has not been challenged. As I have stated above in relation to section 5(2)(b) of the Act, the confusion has also centred on what is the essence of the trade mark of DGL – travel4less. I cannot see that the position would have been greatly different if those confused saw the trade mark the subject of this application. Not only is there evidence of this confusion there is also evidence that the confusion has damaged the reputation of T2L (see the unchallenged evidence of Allyson Smith).

79) Unchallenged evidence of confusion cannot be ignored. It brings the matter out of the theoretical into the concrete. As does the evidence of damage to the reputation to T2L. Damage that could also be caused by diverting trade from T2L to DGL. Damage is also inherently likely to be suffered by any business when on frequent occasions it is confused by customers or potential customers with a business owned by another proprietor or is wrongly regarded as being connected with that business. So T2L faces suffering all three types of damage referred to in *Habib Bank Limited v Habib Bank AG Zurich* [1982] RPC 1.

80) The ground of opposition under section 5(4)(a) of the Act is upheld against the class 39 and 42 services of the application and dismissed in respect of the class 35 and 41 services.

81) In considering the issues before me I cannot see that DGL's knowledge of the TRAVEL 4 trade marks and T2L has any bearing. If DGL did not consider that its trade mark and those of T2L were similar I cannot see that this matters. I am also not quite sure what I was supposed to glean from the Internet evidence or where it was supposed to lead me; other than seeing the common brand identifier is 4less.

COSTS

82) Travel 2 Limited has been successful in this opposition and so is entitled to a contribution towards its costs. I order Destination Group Limited to pay Travel 2 Limited the sum of £1700. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 19th day March of 2004

**David Landau
For the Registrar
the Comptroller-General**