

BLO/089/19

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 3259285

BY

ROSEONLY CO., LTD

TO REGISTER THE TRADE MARK

GREYBOX

IN CLASS 35

AND

THE OPPOSITION THERETO UNDER NO 411350

BY

GREY GLOBAL GROUP (UK) LTD

BACKGROUND

1. On 26 September 2017, Roseonly Co., Ltd (“the applicant”) applied to register the above trade mark (GREYBOX) in class 35, as follows:¹

Demonstration of goods; On-line advertising on a computer network; Advertising; Providing business information via a web site; Commercial administration of the licensing of the goods and services of others; Sales promotion for others; Procurement services for others [purchasing goods and services for other businesses]; Provision of an on-line marketplace for buyers and sellers of goods and services; Data search in computer files for others; Employment agency services.

2. The application was published on 13 October 2017, following which Grey Global Group (UK) Ltd (“the opponent”) filed a notice of opposition against all of the services in the application.²

3. The opponent bases its case on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and relies upon the following trade mark for the first two of these grounds:

Mark details:	Specification:
UKTM: 2504661 GREY Filed: 12 December 2008 Registered: 12 June 2009	Class 35 Advertising, sales promotional, and marketing services; publicity services; public relations services; market research and market analysis; statistical analysis and compilation; media buying services; media research and consultation; planning, buying and negotiating advertising and media space and time; business administration and management services; advisory, research, information and consultation services in the field of advertising,

¹ International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).

² In its initial opposition the opponent claimed to be opposing ‘some’ of the applicant’s services in class 35, but listed all of those for which the mark is applied.

	business and marketing; provision of the aforesaid services on-line from a computer database or a global computer network.
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4. Under the s. 5(4)(a) ground the opponent relies upon the sign 'GREY' which it submits has been used throughout the UK since December 1998 for the same services as those contained in the specification of its earlier mark.

5. The opponent submits that the applicant's 'GREYBOX', being highly similar to its earlier mark, 'GREY', covering services which are identical to services protected by the earlier mark, means there exists a likelihood of confusion.

6. In addition or in the alternative, the opponent submits that it has a reputation in the UK. It submits that the similarity of the marks is such that use of the application without due cause would lead the consumer to believe there to be an economic connection between the opponent and the applicant which would allow the applicant to *"free-ride on the coat-tails of the reputation and/or prestige associated with the [opponent's] trade mark and thereby derive illegitimate benefit from it and/or illegitimately exploit the marketing efforts expended by the opponent..."*

7. The opponent further submits that such use by the applicant would tarnish the reputation of the opponent's mark and dilute its distinctive character.

8. In addition or in the alternative, the opponent submits that it has goodwill in the sign 'GREY' such that use of the applicant's mark would constitute a misrepresentation, as it would lead the relevant public to believe there was an economic connection between the parties. This, it submits, would lead to damage to the opponent and its goodwill.

9. The applicant filed a counterstatement in which it denied the grounds on which the opposition is based and requested that the opponent prove use of its earlier trade mark.

10. The opponent filed evidence and submissions, the applicant filed neither. Neither side requested a hearing. Both sides seek an award of costs. I make this decision following a careful review of all of the papers before me.

The earlier mark

11. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

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

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

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

12. The mark relied upon by the opponent is an earlier mark which is subject to proof of use as per Section 6A of the Act which reads as follows:

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

(1) This section applies where –

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark in relation to which the conditions set out in section 5(1),(2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be

treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2)(application on relative grounds where no consent to registration).”

13. The relevant period for which the opponent must show use of its earlier mark is the five-year period ending on the date of publication of the application, namely 14 October 2012 to 13 October 2017. The onus is on the opponent, under section 100 of the Act, to show genuine use of its mark during this period in respect of those services relied on. In reaching a conclusion on this point, I must apply the same factors as I would if I were determining an application for revocation based on grounds of non-use.

The opponent’s evidence

Witness statement of Mark Young and exhibits MY01-MY12

14. Mr Young is the opponent’s Chief Financial Officer, a position he has held since 19 January 2015. He describes the opponent’s business in the following terms:

“6. The Grey Group is one of the world's foremost advertising and marketing organisations, serving one-fifth of the FORTUNE 500, in 96 countries. A US company, Grey Global Group LLC, is the parent company of the Grey Group of companies; that group includes the Opponent.

7. *The Grey Group was founded as Grey Advertising Agency in 1917 in New York City[...]*

9. *In 1962, the Grey Group's UK arm was founded[...]*

10. *The Opponent is the holding company of the Grey Group of companies in the UK, as confirmed at page 2 of the Opponent's most recent filed accounts at Companies House (down to 31 December 2016).³ As those accounts note (amongst other things), the Opponent's net assets were £73.5 million (page 9) and it owned 68.7% of Grey Advertising Limited ("GAL") (page 15).*

11. *I can confirm that GAL is authorised by the Opponent to use the GREY Trade Mark for all services for which the mark is registered. Therefore, in the remainder of this statement when I refer to use of the GREY Trade Mark by GAL such use has been and continues to be with the consent and approval of the Opponent.*

12. *GAL is a very substantial undertaking as confirmed by its most recently filed Company accounts at Companies House. Those accounts...for the year ending 31 December 2016 show net assets of £37.46M (up from £30.35M in 2015) and revenues of £51.81M (up from £51.48M in 2015). **Of those revenues £31.09M are attributable to the UK (up from £27.23M in 2015).** The accounts also record 378 staff members (up from 350 in 2015)."⁴*

15. Mr Young submits that the opponent offers 'the full range of advertising and marketing services' under the GREY brand.

16. An article from www.adage-encyclopedia.com outlines the opponent's history. It is titled, 'GREY ADVERTISING AGENCY' and outlines the beginning of the company in

³ See exhibit MY03.

⁴ See exhibit MY04.

1917. It confirms that GREY acquired its London agency in the early 1960s. The website appears to be a US site.

17. A second article is provided from www.wpp.com and it titled, 'How we're doing', 'Reports from our company leaders'. Again, it is a US focussed article but refers to the opponent having UK clients such as Marks and Spencer. It relates to 2016 and begins by saying,

"We began the year with Global Agency of the Year honors from Adweek and continued our momentum."

18. Later in the article it states:

"Adweek wrote, 'Grey is winning big work for work...that busted through the boundaries of advertising...entertaining, inspiring, useful stuff.'"

19. Mr Young provides two exhibits taken from the opponent's website which he submits, 'gives a flavour of the products and services offered by [the opponent] under the GREY brand.' He further submits that the opponent often uses its mark 'in conjunction with other words and phrases' and relies on the same two exhibits which are pages printed from the opponent's website. They are essentially the same pages, one set accessed using WaybackMachine for 18 September 2017 (a little under a month before the publication of the application), and the other dated 25 May 2018 (the date of Mr Young's witness statement).

20. The pages show that the opponent provides a shopper marketing and brand activation agency, under the title GREY SHOPPER; an in-house artworking studio and broadcast facility under the title GREYWORKS; a full-service social marketing agency creating and managing social advocacy campaigns, under the title THE SOCIAL PARTNERS and also provided digital and technological solutions 'to maximise a client's long-term business', under the title GREYPOSSIBLE.⁵

⁵ See exhibit MY06.

21. The word GREY can be seen at the top of the same webpage dated 25 May 2018, and Mr Young confirms that the page was the same at the date of publication of the application. It appears as follows:



22. The opponent's clients include, inter alia, Marks & Spencer, Lucozade, Bose, Birds Eye, Volvo, HSBC, Pringles, Gillette and Vodafone. These and others are shown on its website both at the date of filing the evidence and on the pages dated 18 September 2017.⁶

23. On 17 March 2016, *Campaign* (said to be the leading advertising industry journal), published a feature about the opponent in which it said:⁷

"Grey London's impressive turnaround last year was dramatic enough to warrant a close second place in Campaign's Agency of the Year category.

The agency secured 14 new clients. Wins included Tate Britain, Jacob's, General Mills and the £53 million Vodaphone [sic] UK contract.

These made up for the end of its relationship with News UK and a significant reduction in its global work with Volvo. The latter will be a bitter pill given that the LifePaint campaign won two Grand Prix at Cannes.

Grey was also recognised for commercial impact in 2015, being named Euro Effies Agency of the Year."

24. A further report from *Campaign* dated 16 March 2017, lists Grey London 4th on its list of top 100 agencies.⁸

⁶ See exhibits MY05 and MY07.

⁷ See exhibit MY09.

⁸ See exhibit MY08.

25. Mr Young submits that the front door of the opponent's London offices features the GREY mark in orange lettering. The lettering has been in situ from at least 10 May 2011 until the present day.

26. Mr Young submits that the GREY mark has been used in the signature block of all employees and directors since at least August 2011. An example has been provided in the witness statement, but it is illegible.

27. With regard to social media, Mr Young provides details which are contemporaneous with his witness statement.

28. The opponent's Twitter account has the following mark in the top left of the page. On the date it was printed (the date on which Mr Young completed his statement), the opponent had 39,800 followers.



29. The opponent's Facebook page has the same mark shown at the top of the page and approximately 12,900 followers on the date it was printed.

30. The opponent's Instagram page uses the plain word GREY, presented as above but without the additional text beneath. On the date it was printed, the opponent had 8,155 followers.

31. The opponent's LinkedIn account also has the plain word GREY in the same style as described in the previous paragraph. It also uses an oversized version of the word GREY as its background image. The line below reads:

“See all 386 employees on LinkedIn.”

32. I cannot see how many LinkedIn followers the opponent has.

33. Mr Young says of this exhibit:

“...whilst I do not have user data as at the Relevant Date, the scale of interaction with the various social media accounts I detail below would not be materially different between the Relevant Date and today given that (i) the Relevant Date is only nine months prior to the making of this statement, and (ii) the size and scale of [the opponent’s] operations at the Relevant Date are not materially different to those operations today.”

Proof of use

34. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) (28 June 2018), Arnold J. summarised the case-law on genuine use:

“114. The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundesvereinigug Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C- 149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark,

which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no de minimis rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

35. In reaching a decision regarding the opponent's use of its mark, I am mindful of the decision of Daniel Alexander QC, sitting as the Appointed Person in *Awareness Limited v Plymouth City Council*.⁹ He said:

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

36. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*,¹⁰ Mr Geoffrey Hobbs Q.C. as the Appointed Person also stated that:

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

...

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors.

⁹ BL O/236/13

¹⁰ BL O/404/13

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

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

Use of the earlier mark with other matter

37. The branding shown on the opponent’s website and social media pages is primarily the word GREY. It is sometimes used with the words EST.D BY VALENSTEIN&FATT in a much smaller font below the word GREY.¹¹ Similarly, the opponent often uses the word London after the word GREY, for example in its social media accounts, and I note that the articles from *Campaign* refer to the opponent as GREY or GREY London.

¹¹ In some cases, such as the social media pages, the additional words are barely legible.

32. The relevant law on this point is found in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark. The Court of Justice of the European Union found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish ‘use’ within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35 Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term ‘genuine use’ within the meaning of Article 15(1)”. (emphases added)

33. And in *Castellblanch SA v OHIM*,¹² the General Court (GC) said:

“33. In the contested decision the Board of Appeal found that there is no precept in the Community trade mark system that obliges the opponent to prove the use of his earlier mark on its own, independently of any other mark. According to the Board of Appeal, the case could arise where two or more trade marks are used jointly and autonomously, with or without the name of the manufacturer’s company, as is the case particularly in the context of the automobile and wine industries.

34. That approach must be followed. The situation is not that the intervener’s mark is used under a form different to the one under which it was registered, but that several signs are used simultaneously without altering the distinctive character of the registered sign. As OHIM rightly pointed out, in the context of the labelling of wine products joint affixing of separate marks or indications on the same product, in particular the name of the winery and the name of the product, is a common commercial practice.”

34. The distinctiveness of the mark as registered rests in the word GREY, which is the only word in the trade mark and is not stylised or embellished in any way. I find the additional words EST.D BY VALENSTEIN&FATT (presented in a somewhat smaller size below the word GREY) are most likely to be seen as referring to the founders of the GREY agency, a fact which is explicitly stated on the opponent’s *Twitter* page.¹³

¹² Case T-29/04 [2005] ECR II-5309.

¹³ See paragraph 21 of Mr Young’s witness statement.

The additional wording provides extra information alongside the earlier mark but does not prevent the mark 'GREY', as registered, from being perceived as the originator of the services, nor is its distinctiveness altered.

35. Where the use of GREY is alongside the word 'London', London simply describes the geographic location of the business and does not, in accordance with the case law, alter the distinctive character of the mark as registered.

Use of the opponent's mark for advertising services

36. After careful consideration, I find that the opponent's evidence is sufficient to show that the opponent has used its GREY mark within the relevant period in respect of advertising in the UK. The articles in *Campaign* magazine, which is said to be a leading advertising industry journal, support the opponent's witness statement and refer to clients of GREY including Vodafone, Volvo and Tate Britain in the years 2015 and 2016 and talk of the opponent's 'campaigns'. The two articles from adage.com and wpp.com provide further history and detail concerning high profile contracts won by the opponent.

37. The articles refer to the GREY agency or the GREY advertising agency throughout and clearly point to the opponent being successful in this field. Uses of the mark are GREY, GREY LONDON and GREY with the founders' names below the word. All of these I have found to be acceptable use of the mark as registered.

Use in respect of other services in the opponent's specification

38. Beyond advertising services the evidence makes broad claims concerning the GREY brand, without referring to the specifics of its use in relation to any of the other services on which the opponent relies. Evidence said to provide, 'a flavor of the products and services offered' and claims to have used a trade mark for 'the full range of advertising and marketing services', are not sufficient, without supporting evidence, to enable an assessment to be made for the purposes identifying which services the opponent has used its mark for, in the relevant period.

39. This is particularly problematic as Mr Young has clearly stated that the opponent often uses its mark in conjunction with other words for some of these other services, namely:

- 'GREYWORKS' (artwork studio);
- 'GREYSHOPPER' (marketing and brand activation);
- 'THE SOCIAL PARTNERS' (social marketing)
- 'GREYPOSSIBLE' (digital and technical solutions).

40. None of these are prima facie acceptable uses of the mark as registered in accordance with the case law I have already identified. In other words, none of these combinations are use of the registered mark which would enable GREY to continue to be perceived as indicative of the origin of the opponent's services.

41. Furthermore, without a single invoice or example of a tender, or contract or agreement for the provision of the opponent's services offered to its clients, I cannot conclude which, if any, of these specific services have ever been offered to the opponent's clients and if they have, under which of the various marks shown on the opponent's website they have been offered.

42. I remind myself of the relevant guidance in *Plymouth City Council* (above) in which Daniel Alexander QC made it clear that by the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and the public.

43. The evidence is simply not before me that would enable me to reach a conclusion regarding the opponent's use of its GREY mark for any services other than advertising. By its own admission, the opponent is not a small company, has ample resources and, presumably, no difficulty in accessing its own records. The onus is on the opponent to prove use of its mark for the services on which it wishes to rely. It is in the best

position to be able to provide such documentation and has not done so, beyond showing that it runs an advertising agency.

44. I will go on to consider the opponent's case based on 'advertising services' in class 35.

DECISION

45. Section 5(2)(b) of the Act states:

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

(a)...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, or

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

5(2)(b) case law

46. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C -342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

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

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

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

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

Comparison of services in class 35

47. The high point of similarity between the parties' services is advertising services, which are identical. I will make the necessary assessments under the pleaded 5(2)(b) ground based on them, but will return to the applicant's remaining services later, if necessary.

The average consumer and the nature of the purchasing act

48. In accordance with the above cited case law, I must determine who the average consumer is for the services at issue and also identify the manner in which those services will be selected in the course of trade.

49. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*¹⁴, Birss J. described the average consumer in these terms:

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

¹⁴ [2014] EWHC 439 (Ch)

50. The opponent submits that the average consumer in this case is a member of the general public or a business. The identical advertising services are likely to be used primarily by businesses or professionals. These services may involve a tendering process or at least a selection process when entering a contract for their provision and are likely to be fairly infrequent and fairly expensive purchases. The selection process for the identical services is likely to be primarily visual, being made from a website or brochure, though I do not discount the fact that there may be an aural element given that some of these services may be purchased as a result of recommendation. Overall, in respect of the identical services, I find that the average consumer is more likely to be a business or professional than a member of the general public and will pay a higher than average level of attention to the purchase, though not the highest level. In making such a finding I bear in mind that the application includes services such as ‘provision of online marketplaces’ which may be used by members of the general public and are likely to be used more frequently. Such services will be accessed visually, most likely through a website, with at least an average level of attention being paid.

Comparison of marks

51. The marks to be compared are as follows:

The opponent’s mark	The applicant’s mark
GREY	GREYBOX

52. In making a comparison between the marks, I must consider the respective marks’ visual, aural and conceptual similarities with reference to the overall impressions created by them, bearing in mind their distinctive and dominant components but

without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.¹⁵

53. The opponent submits that the word GREY is the distinctive element in both marks. I disagree. It is the only element in the opponent's mark and is presented in black capital letters. There is no additional stylisation. The overall impression rests purely in the word GREY.

54. The applicant's mark comprises the words GREY and BOX conjoined. These are two very common, easily understood words in the English language. This and their particular formulation means that the average consumer will still identify them as two individual words, and with or without a space between them, they will be seen as the words GREY and BOX. 'GREYBOX' is presented in mid grey, block capital letters, with no additional stylisation. Neither word dominates the other. The overall impression rests in the mark in its totality.

55. Visual similarity rests in the fact that the entirety of the earlier mark is the first part of the mark applied for. The fact that the application is presented in grey and the opponent's earlier mark is shown in black is not a point of difference since neither party has claimed colour. The additional word BOX after the word GREY in the application is the point of difference. Overall, I find these marks to have a medium degree of visual similarity.

56. The opponent's mark will be easily understood as the word 'GREY' and will be pronounced as such. The first part of the applicant's mark will be pronounced in the same way by the average consumer, being easily identified as the same word GREY. The second part of the mark is BOX, again easily understood by the average consumer. I find these marks to be aurally similar to a medium degree.

57. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.¹⁶

¹⁵ *Sabel v Puma AG*, para.23.

¹⁶ This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

58. The opponent submits that GREY is the dominant element of each of the marks and will be understood by the average consumer as a reference to the colour grey and draws my attention to a case before this tribunal concerning an application for the mark BLUE.¹⁷ In that case, the hearing officer found that Blue was an ordinary English word with which average consumers would be familiar and concluded that they would have little difficulty in remembering it as anything other than a reference to a colour and concluded that this may well be the conceptual similarity that is the feature that sticks in the mind of the consumer.

59. This case is not on all fours with the matter before me. The other mark in that case was BLUE BAR CAFÉ, the second and third words of which described the relevant services.

60. The applicant submits that conceptually the opponent's mark consists of the colour 'GREY' which *"is the colour of ashes or of clouds on a rainy day"*. In contrast, the applicant's mark would be understood by the average consumer as referring to a box in a grey colour. As a consequence, the applicant submits that the parties' marks are conceptually different.

61. Both marks include the word GREY; it is the totality of the opponent's mark and may be seen as referring to a colour, as a name, or as a word meaning dull or ill-defined. In my experience it is not unusual for advertising agencies to use names under which to trade, though I think this is less likely here, particularly as some of the use of GREY shown in evidence is with additional names (discussed above). The applicant's mark on the other hand will be considered to be a box coloured grey. The use of grey in that context simply describes the colour of the box and is far more specific than the meaning that will be taken from the opponent's mark.

62. The coincidence of the word grey in both marks will create some conceptual similarity for those consumers who see the opponent's mark as referring to the colour but this is likely to be at a fairly low level. The word GREY is somewhat nebulous with

¹⁷ See BL O/276/01.

a number of possible meanings, while the applicant's mark has a very clear and unambiguous meaning, it refers to a box coloured grey.

Distinctive character of the earlier mark

63. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the services for which it has been used as coming from a particular undertaking and thus to distinguish those services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger*.¹⁸

65. In terms of its inherent distinctiveness, the word 'GREY' is likely to be considered adjectival, meaning the colour grey, or something dull or ill-defined. Alternatively, it could be seen as a name, though this is less likely. It makes no descriptive nor allusive reference to the services and will be given its plain ordinary meaning. Consequently, it is a normal trade mark possessed of a medium degree of inherent distinctive character.

66. The opponent has filed evidence of use which I have found to be sufficient for proving use of its GREY trade mark in respect of advertising services. The evidence includes turnover figures (for year end 2015 and 2016) which are considerable. Four different articles refer to the opponent's high-profile clients for whom the opponent has provided its advertising services in class 35, during the relevant period. Coverage from the trade press and the opponent's own evidence shows that the opponent is clearly successful in its field. I have no indication of the size of the relevant market, which I expect is considerable, nor do I have any indication of the opponent's share of that market in the UK. However, the evidence indicates that the opponent is considered one of the leading advertising agencies in the UK, having won several industry awards and appearing at the top of industry rankings for advertising agencies. In its totality, the evidence is sufficient to show that the opponent has enhanced the distinctive

¹⁸ Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

character of its mark, for advertising services, due to the use made of it. I find the level of enhanced distinctive character to be fairly high.

Likelihood of confusion

66. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.¹⁹ I must also keep in mind the average consumer for the services, the nature of the purchasing process and have regard to 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.

67. I have made the following findings:

- The average consumer is likely to be a business or professional for the identical advertising services.
- The level of attention paid to the purchase will be higher than average.
- The purchase will be primarily a visual one, though there may also be an aural element where advice is sought prior to purchase.
- The parties' marks possess medium visual and aural similarity and are conceptually similar to a fairly low degree.
- The earlier mark GREY has a medium degree of inherent distinctive character, elevated to a fairly high level by the use made of the mark by the opponent for advertising services.

68. The opponent submits the following:

3.7.4 In short, there is simply no factor which points away from a likelihood of confusion. Moreover, as the summary of Arnold J confirms what some refer to as "indirect" confusion will suffice (see point (k)): in other words, it

¹⁹ *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27

is not necessary to show that the confusion is due to the relevant public thinking (mistakenly) that the goods or services of Party B are those of Party A, the trade owner. Rather it suffices if it can be shown that the relevant public will believe that respective goods or services come from the same or economically-linked undertakings e.g. due to some "tie-up" and or licensing arrangement. In this regard it is noteworthy that the Opponent uses its house mark GREY in conjunction with other suffixes (such as, GREY LONDON, GREY X, GREY SHOPPER) a not uncommon practice in business. Inevitably therefore where the relevant public sees the mark GREYBOX on services the same as or similar to those covered by the Earlier Trade Mark, confusion is inevitable."

69. I will deal first with the opponent's submission that it uses the trademark GREY with other suffixes, thus increasing the likelihood of confusion. The opponent has not claimed to be relying on a 'family of marks'. Even if it had, the evidence falls a long way short of establishing whether any of these are registered trade marks or whether they were present on the market at the relevant date.²⁰ GREY SHOPPER appears on the opponent's website, on two very similar pages taken from the opponent's website. One of these was printed on the day of the witness statement while the other dates from less than a month before the date of publication of the contested application. The services described as offered under that sign are marketing and brand activation. I have no evidence of those services having been offered under that sign. GREY X is not shown in evidence at all and GREY LONDON is used, but is likely to be construed as referring to the location of the GREY agency in London. Consequently, I will say no more about this submission.

70. Confusion can be direct (when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same, but puts the similarity that exists between the marks/services down to the responsible undertakings being the same or related).

²⁰ Guidance concerning a claim to a family of marks can be found in *Il Ponte Finanziaria SpA v OHIM*, Case C-234/06 at paragraphs 63 to 66 of the judgment.

71. In this case, taking into account the nature of the average consumer, the nature of the purchase, the level of attention to be paid to the purchase of these services and the conceptual differences between these trade marks I do not find that the parties' marks, GREY and GREYBOX would be directly confused with one another.

72. In *L.A. Sugar Limited v By Back Beat Inc*,²¹ Mr Iain Purvis Q.C., sitting as the Appointed Person said:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.”

73. Furthermore, in *Duebros Limited v Heirler Cenovis GmbH*,²² Mr James Mellor Q.C., sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

74. In this case there is clearly a common element in both marks, which is the word GREY. I bear in mind *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015],²³ in which Arnold J. considered the impact of the CJEU's judgment in *Bimbo*,

²¹ BL O/375/10

²² BL O/547/17

²³ EWHC 1271 (Ch)

Case C-591/12P, on the court's earlier judgment in *Medion v Thomson*. The judge said:

“18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

75. It is clear from the case law that I should not find confusion based solely on the fact that these marks share the word GREY. It is the effect of this common element within the mark as a whole which is key to the issue of confusion. In my view, GREY does not have an independent significance in the applicant's GREYBOX mark. Rather, it simply describes the following noun, BOX. The earlier mark has a more nebulous concept, not clearly defined. It would be highly unusual to reconfigure such a mark by adding or subtracting the word BOX in such a way. In terms of a sub-brand, I do not believe that the average consumer will make such an assumption. GREY is a fairly common word, not lacking distinctiveness, but not so unusual that the average consumer would put the sharing of that word down to the responsible undertakings being the same or being related. This is still the case when bearing in mind the fairly high degree of distinctive character which rests in the earlier mark due to the use made of it by the opponent. In my view, the average consumer will put the commonality down to a co-incidental sharing of a not uncommon word GREY with nothing else in either mark to suggest a same-stable relationship.

76. Put simply, having been mindful of the global assessment I must make, there is no likelihood of indirect confusion.

77. I have reached this conclusion based on the parties' advertising services. I do not intend to consider the remaining services in the application in detail as these are further away from the opponent's advertising services for which the opposition has already failed. I bear in mind that the applicant's services such as, 'provision of an on-line marketplace for buyers and sellers of goods and services' will be used by both businesses and members of the general public and will involve a slightly lower level of attention to be paid than advertising services. I have considered the impact this may have on the global assessment necessary under this ground and conclude that it does not disturb my primary finding that there is no likelihood of either direct or indirect confusion.

Conclusion

78. The opposition fails under section 5(2)(b) of the Act.

The opponent's case based on section 5(3) of the Act

79. Section 5(3) states as follows:

“A trade mark which -

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom...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.”

80. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between

the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*.

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact on the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark

or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and *the court's answer to question 1 in L'Oreal v Bellure*).

81. Under this ground, the opponent relies on the same mark and evidence as it did in support of its opposition under section 5(2)(b) of the Act. In order to get a case off the ground, under section 5(3), the opponent must prove that its earlier mark has a reputation. Reputation in this context means that the earlier trade mark is known by a significant part of the public concerned with the services covered by that mark. In this case advertising services in class 35.

82. Earlier in this decision, in my consideration of the opponent's evidence I concluded that the it had shown genuine use of its GREY mark and that it had enhanced the distinctive character possessed by its mark due to the use made of it. I am satisfied from the evidence provided that a significant part of the public concerned, in this case, primarily businesses and professionals seeking advertising services, would know the applicant's mark. In the UK, the use appears to be centred on London, where the applicant established an advertising agency in the early 1960s, but, taking into account the nature of the advertising market and considering the evidence filed by the opponent, many of its clients are national or international brands whose campaigns go far wider than the geographic location of the particular advertising agency.

83. Given my findings, in the context of the relevant case law outlined above, I find the applicant has demonstrated a fairly strong reputation, in the UK, at the relevant date.

84. In addition to the earlier mark having a reputation, a link must be made between the mark applied for and the earlier mark. In *Intel Corporation Inc v CPM (UK) Ltd* the CJEU provided guidance on the factors to consider when assessing whether a link has been established. The list includes, as separate factors, the strength of the earlier mark's reputation and the degree of distinctive character, whether inherent or acquired by use. I have already found that the GREY trade mark has had its inherent level of distinctive character (which is average) enhanced through use.

85. The remaining factors concern the similarity between the parties' respective marks and whether or not there is a likelihood of confusion. Given that I have already found no likelihood of confusion, the claim that the relevant public will believe that the marks are used by the same undertaking or that there is an economic connection between the users is less likely, though not impossible as it is only one of a number of factors to consider.

86. I bear in mind the reputation that the applicant has shown in respect of its GREY mark for advertising services, however, the parties' marks contain visual differences as well as a degree of conceptual difference and the common element performs a different role in each of them. In my view, a member of the relevant public encountering the applicant's mark will not bring the earlier mark to mind in any more than the most fleeting manner, which will not be turned into a positive enough link that damage might follow. In other words, any link will be too weak to cause any damage to the earlier mark's reputation and distinctive character and to give an unfair advantage to the later mark. The same is true of the other heads of damage.

87. The section 5(3) ground fails.

The opponent's case under section 5(4)(a) of the Act

88. Section 5(4) of the Act states:

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

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

(b) ...

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

89. Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

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

- (1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

90. Parker J in *Burberrys v J C Cording & Co Ltd* [1909] 26 RPC 693 said:

"The principles of law applicable to a case of this sort are well known. On the one hand, apart from the law as to trade marks, no one can claim

monopoly rights in the use of a word or name. On the other hand, no one is entitled by the use of any word or name, or indeed in any other way, to represent his goods as being the goods of another to that other's injury. If an injunction be granted restraining the use of a word or name, it is no doubt granted to protect property, but the property, to protect which it is granted, is not property in the word or name, but the property in the trade or goodwill which will be injured by its use. If the use of a word or a name be restrained, it can only be on the ground that such use involves a misrepresentation, and that such misrepresentation has injured, or is calculated to injure another in his trade or business."

91. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

"27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur."

92. Commenting on *South Cone* in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

The relevant date

93. Whether there has been passing off must be judged at a particular point (or points) in time.²⁴ The filing date of the subject trade mark is 26 September 2017. There is no evidence or claim by the proprietor that it has used its mark prior to this. Accordingly, the matter need only be assessed as of that date.

96. The opponent's claim under this ground is based on the same mark and services as the other grounds I have already considered.

Goodwill

94. The first hurdle for the applicant is to show that it had the required goodwill at the relevant date. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), the Court stated:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one

²⁴ *Roger Maier and Assos of Switzerland SA v ASOS plc and ASOS.com Limited* [2015] EWCA Civ 220

thing which distinguishes an old-established business from a new business at its first start.”

95. Given my findings earlier in this decision, taking all of the evidence into account, I find that GREY was distinctive of the opponent’s goodwill at the relevant date, and was sufficient to be protected under the law of passing off. A fair characterisation of its business is as a provider of advertising services.

Misrepresentation

96. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc. [1990] R.P.C. 341 at page 407* the question on the issue of deception or confusion is, ‘is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants’ [product] in the belief that it is the respondents’ [product]?’

The same proposition is stated in *Halsbury's Laws of England 4th Edition Vol.48 para 148*. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd. (1941) 58 R.P.C. 147 at page 175* ; and *Re Smith Hayden's Application (1945) 63 R.P.C. 97 at page 101.*”

97. There is one possible difference between the position under trade mark law and the position under passing off law. In *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, Lewinson L.J. cast doubt on whether the test for misrepresentation for passing off purposes came to the same thing as the test for a likelihood of confusion under trade mark law. He pointed out that it is sufficient for passing off purposes that “a substantial number” of the relevant public are deceived, which might not mean that the average consumer is confused. As both tests are intended to be normative measures intended to exclude those who are unusually careful or careless (per Jacob

L.J. in *Reed Executive Plc v Reed Business Information Ltd* [2004] RPC 40), it is doubtful whether the difference between the legal tests will (all other factors being equal) produce different outcomes.

98. In making a finding on the issue of misrepresentation, I bear in mind that it is the applicant's customers or potential customers who must be deceived. In *Neutrogena Corporation and Another v Golden Limited and Another*,²⁵ Morritt L.J. stated that:

“This is the proposition clearly expressed by the judge in the first passage from his judgment which I quoted earlier. There he explained that the test was whether a substantial number of the plaintiff's customers or potential customers had been deceived for there to be a real effect on the plaintiff's trade or goodwill.”

99. There is a difference between mere confusion and deception in passing-off cases. In *W.S. Foster & Son Limited v Brooks Brothers UK Limited*,²⁶ Mr Iain Purvis QC, as a Recorder of the Court stated that:

“54. Mr Aikens stressed in his argument the difference between ‘mere wondering’ on the part of a consumer as to a trade connection and an actual assumption of such a connection. In *Phones 4U Ltd v Phone 4U.co.uk Internet Ltd* [2007] RPC 5 at 16–17 Jacob LJ stressed that the former was not sufficient for passing off. He concluded at 17:

‘This of course is a question of degree – there will be some mere wonderers and some assumers – there will normally (see below) be passing off if there is a substantial number of the latter even if there is also a substantial number of the former’.”

100. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), Millet L.J. stated:

²⁵ [1996] RPC 473

²⁶ [2013] EWPCC 18 (PCC)

“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.”

101. The opponent’s goodwill rests in advertising. The customers in question are likely to be businesses or professionals seeking advertising services. Taking all the relevant jurisprudence into account and having considered the evidence in detail, I find that use of the applicant’s GREYBOX mark would not lead to a substantial number of the public being deceived as to a connection between the parties and their services. The high point of connection between the two parties’ marks would be result in no more than ‘mere wondering’ and would not be sufficient for misrepresentation to occur.

102. The application based on section 5(4)(a) of the Act fails.

Conclusion

103. The opposition fails under all of the pleaded grounds.

Costs

104. The opposition having failed, the applicant is entitled to a contribution towards its costs according to the scale of costs provided by Tribunal Practice Notice 2/2016. The applicant did not file evidence or submissions. Consequently, I award the applicant £400 for preparing a statement and considering the other side’s statement and £300 for considering the other side’s evidence.

105. I order Grey Global Group UK Ltd to pay Roseonly Co., Ltd the sum of £700. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

14th of February 2019

Al Skilton
For the Registrar,
the Comptroller General