

O-096-19

TRADE MARKS ACT 1994

**IN THE MATTER OF THE APPLICATION UNDER NO. 3269876
BY BE APPLIED LIMITED
TO REGISTER AS A TRADE MARK:**



IN CLASSES 35 AND 42

AND

**IN THE MATTER OF THE OPPOSITION THERETO UNDER NO. 411738
BY APPLIED MEDICAL RESOURCES CORPORATION**

BACKGROUND AND PLEADINGS


- On 10 November 2017, Be Applied Limited (“**the Applicant**”) applied to register the figurative trade mark shown on the front page of this decision, which features the text “applied”. The application, as amended¹, is in respect of the following services:

Class	Applicant’s services
35	Recruitment consultancy services; none relating to the recruitment of sales personnel for medical devices.
42	Software as a service; none relating to the sale of medical devices.

- The application was published for opposition purposes in the Trade Marks Journal on 24 November 2017 and is opposed by Applied Medical Resources Corporation (“**the Opponent**”). The opposition is based on three grounds under the Trade Marks Act 1994 (“the Act”), namely: sections 5(2)(b), 5(3) and 5(4)(a), and in each instance the claims are directed against the application in its entirety.

Claims under section 5(2)(b) (likelihood of confusion) and section 5(3) (reputation)

- For its claims based on sections 5(2)(b) and 5(3), the Opponent relies in each instance on its ownership of the same two EU trade mark registrations 2334902 and 309872 as detailed below:

Opponent’s registrations	
	<p>EUTM 2334902 (“the Opponent’s figurative mark”)</p> <p>Filing date: 9 August 2001²</p> <p>Date of entry in register: 19 November 2002 - Registered for certain goods in Class 10 and certain services in Class 35</p>
APPLIED MEDICAL	<p>EUTM 309872 (“the Opponent’s word mark”)</p> <p>Filing date: 31 July 1996</p> <p>Date of entry in register: 17 September 1999 - Registered only for certain goods in Class 10</p>

¹ The application was amended on 19 April 2018 to limit the specifications in both classes by including the phrases after the semi-colons, distancing the services from the sale of medical devices.

² Claiming priority from a US registration - priority date is 12 February 2001.

4. The **section 5(2)(b)** grounds are based on the Opponent’s claims in its statement of grounds as to the similarity between the parties’ marks and the respective goods and services, which it alleges creates a likelihood of confusion on the part of the relevant public, including a likelihood of association. (Later in this decision, I detail further the submitted basis for those claims.) The goods and services on which the Opponent relies for its section 5(2)(b) claim are as follows:

The Opponent’s figurative mark - Goods and Services:
<p>Class 10: <i>Surgical and medical apparatus and instruments</i> Class 35: <i>Business management and business administration</i></p>
The Opponent’s word mark - Goods:
<p>Class 10: <i>Medical and surgical apparatus and instruments; dilators, catheters, trocars, clips, clamps, laparoscopic instruments, endoscopes, urological apparatus and instruments, electrosurgical cautery, cutting tools and coagulators; fluoroscopic instruments, access devices, occlusion devices, stents, graspers, retractors, flow retractors, vascular valve ablaters, aspiration and irrigation devices, elastomeric seals for use with access devices during surgery; parts and fittings for all the aforesaid goods</i></p>

5. The **section 5(3) grounds** are based on the Opponent’s claims that each of its earlier marks has a reputation in respect of the goods (below) relied on for this ground, such that use of the Applicant’s mark for the services in the application would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier marks. The claims under section 5(3) also include the essence of allegation under section 5(2)(b) to the effect that the trade marks relied on by the Opponent are similar to the Applicant’s mark, such that the relevant public will believe that they are used by the same undertaking or think that there is an economic connection between the users of the trade marks. I refer to the content of those claims within the decision below, but here note that the Opponent claims to have used its **figurative mark** extensively in the EU and UK since 1993 such that it has a reputation in respect of its Class 10 goods “*surgical and medical apparatus and instruments*”; and the Opponent likewise claims to have used its **word mark** extensively in the EU and UK since

1993 such that it has a reputation in respect of the same list of goods³ as it relies on for the same mark under the section 5(2)(b) ground.

Claim under section 5(4)(a) (passing off)

6. The Opponent's claim under section 5(4)(a) of the Act is that the use of the Applicant's trade mark would be contrary to the law of passing off. The Opponent relies for this ground on its claimed unregistered rights in two signs⁴ as follows.

- (a) "APPLIED MEDICAL" ("the Opponent's word sign"), and
- (b) the same words in the following form, accompanied by the triangular device⁵ ("the Opponent's combination sign"),



7. The Opponent claims to have used both signs throughout the UK since December 1993 for the very same list of **goods** relied on for the word mark under the section 5(2)(b) and 5(3) grounds⁶, and the Opponent also claims use in relation to the following **services**:

- *the design, development, testing and manufacture of medical devices;*
- *the development of breakthrough technologies and solutions for minimally invasive and general surgery;*
- *education and training programs in relation to the use of medical devices, carrying out invasive procedures, carrying out surgical procedures;*
- *clinical training;*
- *business management and business administration*

³ As set out in the table at paragraph 4 above.

⁴ I note that the Opponent's submissions refer to reliance on the figurative device also, but that sign is not claimed separately for this ground in the notice of opposition form. It anyway makes no material difference as it clearly features in the combination sign above.

⁵ The image of the sign here given is as presented in the notice of opposition. It seems to me that line under the words and device is not intended to be part of the claimed sign.

⁶ As set out in the table at paragraph 4 above.

The Applicant's defence

8. The Applicant filed a notice of defence, putting the Opponent to proof of use in respect of the earlier marks relied on by the Opponent under the section 5(2)(b) and 5(3) claims. The Applicant's counterstatement denies all three grounds, and since the Applicant filed no further materials beyond its notice of defence/counterstatement, I here note the following particulars:
- it denies that the parties' marks are similar and states that the differences will avoid any consumer confusion;
 - it denies that its services (as amended to exclude services directly related to the sale of medical devices) are similar by association with the Opponent's goods and/or services, or that they are complementary or similar in nature or purpose; rather it avers that the respective goods and/or services are dissimilar;
 - it denies that the Opponent's earlier marks have acquired a reputation in the United Kingdom and puts the Opponent to proof of its claimed reputation;
 - it denies that the use of the Application would take unfair advantage of, or be detrimental to the distinctive character or reputation of the Opponent's earlier marks;
 - it denies that there is a real risk that consumers will consider that the business is endorsed by, or connected to, or an extension of the Opponent's business and it denies the Opponent's hypothetical assertions that seek to illustrate a risk perceived by the Opponent;
 - it denies that the Opponent had relevant, actionable goodwill and reputation under its claimed signs in connection with the claimed goods and services and denies that its mark would constitute a misrepresentation in relation to the Opponent's claimed signs;
 - it denies that its applied-for services overlap with the services for which the Opponent claims goodwill and reputation, such that use of the applied-for mark would constitute a misrepresentation, or create a belief that the parties are economically-linked undertakings and would cause damage under section 5(4)(a) of the Act.

Papers filed and representation

9. The Opponent is represented by Dolleymores. In addition to the statement of grounds in its notice of opposition, the Opponent filed evidence and submissions during the evidence rounds. I include below, to the extent I consider necessary, a summary of the evidence filed, and elsewhere in the decision I refer to aspects of the evidence and to points of submission.

10. The Applicant is represented by Wildbore & Gibbons LLP. As indicated above, the Applicant filed no submissions beyond those in its counterstatement, nor did it file any evidence.
11. Neither party requested a hearing; the Opponent filed written submissions in lieu of an oral hearing.

The evidence

12. The filed evidence is relevant to show the Opponent's use of its earlier marks, the extent of any reputation in the marks, and the basis of any goodwill arising from its use of the signs relied on. The evidence comprises a **Witness Statement of John Brustad ("the Witness")**, dated 2 August 2018, along with **Exhibits JB1 – JB5**. The Witness has, for over twenty years, held the post of Vice-President of Corporate Development for the Opponent, which was founded in 1987 in California, where it remains headquartered. The Witness states that it has around 4000 employees, 450 of whom are employed across Europe, that its European headquarters is in the Netherlands and that it distributes the Opponent's goods across 15 European countries, including the UK. Around 40 of its staff are based in the UK, working "primarily in sales activities across the UK".
13. **Exhibit JB1** includes website printouts that give further information about the Opponent, including that its European offices⁷ were established in 2006. Exhibit JB1 also includes brochures and packaging from as early as 2011 / 2012 showing use of its marks in the UK in relation to products such as valves, probes, graspers, retractors, obturators, cannulae, spatula tips, tubing etc. The combination sign appears in the form claimed for the 5(4)(a) ground, usually above the accompanying strapline "A New Generation Medical Device Company".
14. **Exhibit JB2** includes a list of the trade fairs/conferences attended by the Opponent from 2013 - 2017, with attendees numbering from tens up to one thousand. As an illustration of the point, the evidence identifies 32 such events in 2017 across England, Scotland and Wales, identified by titles or descriptors such as the "2nd London Minimally Invasive Head and Neck Surgery Symposium", and the "12th Laparoscopic Inguinal Hernia Workshop". The exhibit includes

⁷ At page 11 of the evidence.

photographs of the Opponent's stands at several of those conferences, along with samples of promotional materials for such events, which pay brief tribute to the Opponent⁸.

15. The Witness states that "the average cost per unit can vary from tens to hundreds of pounds sterling" and that turnover "for products and services bearing the mark" 2011 – 2017 has "totalled millions of pounds sterling". A table in the Witness Statement shows well over 150,000 medical devices/units sold into the UK in each of those years. Another table in the Witness Statement shows that in each year since 2013 the Opponent has generated tens of thousands of print invoices related to the sales of medical devices to customers in the UK. **Exhibit JB3** is a selection of redacted print invoices for products sold in the UK 2013 – 2018. For example, one dated 14 August 2015⁹ relates to an order from Burton upon Trent that includes 8000 devices costing 48 pounds each. Each print invoice bears the Opponent's combination sign.
16. **Exhibit JB4** consists of screenshots taken from the Applicant's website – www.beapplied.com. The exhibit includes a "success story" profile of a company called "Made by Many", which is a digital product design and innovation consultancy that wanted to attract and encourage more diverse talent to the digital industry, so it chose to use the Applicant ("Applied") to recruit to its internship programme and other roles. The testimonial paid tribute to the tailored assessment criteria and systemic blind review to find people with the right aptitude and experience.
17. **Exhibit JB5** is a printout from the Opponent's website that provides information about: simulation and other clinical training offered in the EU and the UK¹⁰; a copy of what the Witness states is a current UK-based career opportunity posting¹¹; a copy of a prospectus giving details of the graduate training program offered by the Opponent.

Proof of use

18. The Opponent's figurative and word marks had been registered for more than five years on the date on which the contested application was published. Both those earlier marks are subject to the proof of use provisions under section 6A of the Act, which states that:

8 For example, page 38 of **Exhibit JB2**, where the Opponent is "well recognised for clinical advancements" by the Association of Laparoscopic Surgeons 2014; and page 30 of the same exhibit, where the Opponent is identified as a "Gold Partner" for the 2015/16 Conference of Associations of Laparoscopic Surgeons/Theatre Staff of GB and Ireland.

9 Page 54 of **Exhibit JB3**

10 Exhibit JB5 (page 67 - 68)

11 Exhibit JB5 (page 70 -71)

“(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 European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(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.”

19. Section 100 of the Act makes it clear that the burden of proof here falls on the Opponent, who must show that, during the five years prior to and ending on the date of publication of the contested application, its earlier marks had been put to genuine use in relation to the registered goods and services relied on for its claims under sections 5(2)(b) and 5(3). The **relevant period** for proving use in this case is therefore 25 November 2012 to 24 November 2017.

20. The case law principles on genuine use were recently summarised by Arnold J in *Walton International*¹², which I shall not set out in full here, since for the purposes of this decision I

12 *Walton International Limited v Verweij Fashion BV* [2018] EWHC 1608 (Ch) - at paragraph 114.

consider it enough to state that the evidence filed by the Opponent clearly demonstrates real and substantial commercial exploitation of its marks¹³ in the UK to distinguish its goods and services: this finding is self-evident from the content, for example of **Exhibits JB2** and **JB3**. However, the proper extent of the goods and services for which use has been shown is a question that requires closer consideration.

21. In circumstances where genuine use of a relevant mark has been shown in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the tribunal to arrive at a fair specification in the circumstances, which may require amendment. As Mr Geoffrey Hobbs Q.C. stated, sitting as the Appointed Person in the *Mellis* case¹⁴, “fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use, but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose, the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.” In the *Titanic Spa* case¹⁵, Carr J referred to the established legal principles, including as follows:

- “v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd (Extreme Trade Mark)* [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].
- vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration; *Maier v Asos Plc* [2015] EWCA Civ 220 (“Asos”) at [56] and [60].

¹³ Use of a mark generally includes its use as part of a composite mark or in conjunction with another mark, as long as the registered mark continues to fulfil its function of indicating the origin of the goods or services. see *Colloseum Holdings AG v Levi Strauss & Co*, C-12/12, paragraphs 31-35 and the case law cited therein.

¹⁴ *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10 (at page 10 of that decision)

¹⁵ *Property Renaissance Ltd (trading as Titanic Spa) v Stanley Dock Hotel Ltd (trading as Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), at paragraph 47 of that judgment. The case relates to cancellation for non-use, but the principles apply by analogy in the current circumstances.

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.”

22. I find that the Witness Statement and supporting evidence (especially **Exhibits JB1** and **JB3**) show genuine use, during the relevant period, in relation to the goods under both marks: most of the particularised goods under the Opponent’s word mark are individually evidenced and such goods are encompassed by the wider phrase “*surgical and medical apparatus and instruments*” (per the Opponent’s figurative mark and the equivalent terms in the Opponent’s word mark). I find that the relevant average consumer would fairly describe the goods in relation to which the trade marks have been used as “medical and surgical apparatus and instruments” (or “medical devices” as per the Opponent own promotion); no ready sub-categorisation suggests itself, nor has the Applicant made submissions to the contrary.
23. The Opponent is therefore able rely on all the goods claimed under both its registered marks; however, under its figurative mark, it also relies on services in Class 35: *Business management and business administration*. I have received no submissions or evidence on a definition of services of that description, but it seems to me that the term “business management” signifies day-to-day management of a business and developing its organisation, goals and objectives; it seems to me that the term “business administration” is closely related to the managerial and organisational responsibilities of a business, but with perhaps an accent on operational matters, such as human resources, production, finance, accounting, and marketing departments, to ensure that those areas function properly and in line with business goals and objectives.
24. In *Avnet*¹⁶, Jacob J. (as he then was) noted that definitions of services are inherently less precise than specifications of goods and stated his view that: “... specifications for services

¹⁶ *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16

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.” I note that the Witness states that the Opponent has “a good reputation in respect of the training and business advice given to surgeons and medically trained hospital personnel outside their organisation” - but I find that nothing in the evidence establishes genuine use in respect of “business management” or “business administration services and the Opponent cannot rely on those services for its claims under sections 5(2)(b) and 5(3).

DECISION

The section 5(2)(b) ground

25. Section 5(2)(b) of the Act, reads as follows:

“5. [...]

(2) A trade mark shall not be registered if because –

[...]

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

26. Determination of a section 5(2)(b) claim must be made in light of the following principles, which 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.

The principles are:

- (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 it¹⁷;
- (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;

¹⁷ To the extent that the distinctive character lies in

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

Comparison of the goods and services

27. The goods and services to be compared are:

The Applicant's services
<p>Class 35: Recruitment consultancy services; none relating to the recruitment of sales personnel for medical devices</p> <p>Class 42: Software as a service; none relating to the sale of medical devices</p>
The Opponent's goods¹⁸ (covering both its figurative and word marks)
<p>Class 10: <i>Surgical and medical apparatus and instruments (including dilators, catheters, trocars, clips, clamps, laparoscopic instruments, endoscopes, urological apparatus and instruments, electrosurgical cautery, cutting tools and coagulators; fluoroscopic instruments, access devices, occlusion devices, stents, graspers, retractors, flow retractors, vascular valve oblaters, aspiration and irrigation devices, elastomeric seals for use with access devices during surgery; parts and fittings for all the aforesaid goods)</i></p>

28. In assessing similarity of goods and services, I bear in mind various guidance from trade mark case law. In *Canon*¹⁹, in the context of assessing the similarity between goods, the Court of Justice of the European Union (“the CJEU”) stated that all the relevant factors relating to the goods themselves should be taken into account, including “... *their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary*”.
29. The relevant factors for assessing similarity identified by Jacob J. (again, as he then was) in the *Treat* case²⁰ included: the respective users and uses of the respective goods or services;

¹⁸ This of course excludes the Opponent's claimed Class 35: *Business management and business administration* services, for which no genuine use has been shown.

¹⁹ Case C-39/97, at paragraph 23

²⁰ *British Sugar PLC v James Robertson and Sons* [1996] R.P.C. 281

the physical nature of the goods or acts of services; the respective trade channels through which the goods or services reach the market; the extent to which the respective goods or services are competitive, which “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”.

30. The significance of the word “complementary” (as used in the *Canon* factors) was described by the General Court *Boston Scientific*²¹ in terms that “... there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”. The CJEU has also held²² that complementarity is an autonomous criterion, capable of being the sole basis for the existence of similarity between goods. In *Sanco*²³, the General Court indicated that goods and services may be regarded as ‘complementary’, and therefore similar to a degree, in circumstances where the nature and purpose of the respective goods and services are very different, in that case the goods being *chicken*, the services being *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings.
31. The Opponent acknowledges the limitations added to the Applicant’s specification, namely: the exclusion of “recruitment of sales personnel for medical devices” from the Applicant’s “recruitment consultancy services”; and the exclusion of “services relating to the sale of medical devices” from the Applicant’s “software as a service”. However, the Opponent still considers the services “extremely broad” and submits several examples of why it has concerns that it does not consider addressed by the limiting amendments.
32. The Opponent submits that the Applicant’s **Class 35 services** as amended would cover:
- (i) “recruitment of sales persons in respect of the promotion and sales of goods such as surgical and medical apparatus and instruments”;
 - (ii) “recruitment of individuals within the medical sector”;

²¹ *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

²² *Kurt Hesse v OHIM*, Case C-50/15 P

²³ *Sanco SA v OHIM*, Case T-249/11

- (iii) “recruitment of individuals for the design, manufacture and development of surgical and medical apparatus and instruments”;
33. The Opponent submits that the Applicant’s **Class 42 services** as amended would cover:
- (iv) “design and development of computer software for use in medical technology”;
 - (v) “writing of computer programs for medical and surgical applications”;
 - (vi) “computer programming in the medical field”;
 - (vii) “design and development of software for the creation and manufacture of medical and surgical devices.”
34. The Opponent submits that the services envisaged in the above two paragraphs “fall in the identical sector of interest to the Opponent, namely the medical and medical devices sector” and that the goods “surgical and medical apparatus and instruments” overlap with the Applicant’s “recruitment consultancy” and “software as a service” and are similar and/or complementary.
35. I do not find the Opponent’s concerns to be especially compelling grounds for similarity. Considering first, similarity in relation to the Applicant’s **Class 35 services**: The example at (i) above is unpersuasive since it seems to me that the wording of the Applicant’s limitation that excludes “recruitment of sales personnel for medical devices” would fairly and naturally be construed so as to exclude recruitment of those described by the wording of example (i). I accept that the Applicant’s recruitment consultancy services could include services connected to the medical sector – as envisaged at examples (ii) and (iii) - but, for the following reasons, I do not consider that inherently objectionable.
36. The Opponent’s “surgical and medical apparatus and instruments”, being goods, are different in nature from recruitment consultancy services, even though those services may include “recruitment of individuals for the design, manufacture and development of surgical and medical apparatus and instruments.” Likewise, those respective goods and services are different in purpose, uses, and methods of use and are not in competition. Bearing in mind the steer in *Avnet* (at paragraph 24 above), it seems to me that the Opponent’s concerns involve a very significant move away from focussing on the core of the (recruitment consultancy) service and instead moves out to the nature of the businesses that may benefit from those services (i.e. a business that end-to-end produces medical devices).

37. The Applicant's recruitment services are those of an intermediary / agent for businesses. The Application does not cover providing design or manufacture services in the medical field, any more than it would cover designing or manufacturing aeroplanes, were its recruitment consultancy services taken up by a business in the aeronautical sector. One would not go to a recruitment provider to obtain one's medical devices, nor to a provider of those goods for recruitment consultancy services. The users and channels of trade of the respective goods and services are therefore different.
38. The central submission as to complementarity also seems to me untenable because although a supplier of medical goods may also design and manufacture those goods – as indeed the evidence shows to be the reality of the Opponent's business – it is not the case that recruitment consultancy services would be described as "complementary" according to the description in *Boston Scientific* i.e. those services are not "indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking". **I find no similarity between the Opponent's goods and the Applicant's services in Class 35 "Recruitment consultancy services; none relating to the recruitment of sales personnel for medical devices".**
39. Turning now to consider similarity in relation to the Applicant's services in **Class 42: Software as a service; none relating to the sale of medical devices**. I note first that I have no evidence from either party as to what is meant by "software as a service". I have the Opponent's examples (iv) – (vii), in which it submits to the effect that the phrase covers computer programming in the medical field, including the design and development of computer software for use in medical technology or in the creation and manufacture of medical and surgical devices. In the absence of evidence to assist, I must apply my own understanding of what the average consumer²⁴ would understand the Applicant's Class 42 services to cover.
40. I am aware that a particular meaning of the term "software as a service" is that it is a category of cloud computing that removes the need for the user to install and run applications on their own computers²⁵. However, it strikes me that the phrase "software as a service" may naturally and reasonably be understood in broad and general terms (even by an average consumer as cast in this decision, who is not simply a member of the general public at large – see below).

²⁴ As set out in the next section of this decision.

²⁵ See, for example, explanation of SaaS given at <https://azure.microsoft.com/en-gb/overview/what-is-saas/>

It may certainly cover providing a software service in the medical field, and the phrase, though on its face vague, seems to me capable of encompassing the design, development and programming elements put forward by the Opponent.

41. At the same time, whatever the breadth of the nature of the services implied by the phrase “software as a service”, the services must be construed to exclude any that relate “*to the sale of medical devices.*” Again, there is potentially some considerable breadth to that limiting phrase – how broad is the concept of “*sale of*” and how broad is the term “*medical devices*”? I have already indicated (at paragraph 22 above) that “medical devices” encompasses “medical and surgical apparatus and instruments” and vice versa, and would likewise include “medical technology” and “medical and surgical applications” (the terms in the Opponent’s examples). On one construction, a service that relates to the “sale of” such goods is simply one of retail or wholesale provision of those goods; on a broader construction, it could be argued that a service that ‘relates to’ selling such goods may involve not merely their supply by retail or wholesale, but may also embrace the design and manufacture of the goods being sold – noting that at paragraph 38 above I have already recognised that a supplier of medical goods may also design and manufacture those goods. However, when I bear in mind the emphasis on the core of a service (per *Avnet*), and the cautionary guidance in case law²⁶ that trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise, I consider it appropriate to confine the meaning of “sale of” to the services of retail/wholesale provision, rather than including earlier steps that generate the goods sold.
42. However, even based on a construction of the Applicant’s Class 42 services that works in favour of the Opponent - i.e. interpreting “software as a service” in wide terms, and interpreting the limiting exclusion more narrowly - I find that in comparing those services with the Opponent’s goods there is no strong similarity.
43. In line with my findings on the Applicant’s Class 35 services, the goods of the Opponent, being goods, are different in nature from services in Class 42 as sought by the Applicant, even if those services were construed to include the permutations (iv) – (vii) submitted by the Opponent. Likewise, those respective goods and services are essentially different in purpose, uses, and methods of use and are not in competition.

²⁶ For example, *YouView Ltd v Total Ltd* [2012] EWHC 3158 (Ch) - see Floyd J’s comment at [12] considering the balance in the context of goods.

44. It is possible that a medical or surgical undertaking (such as a hospital) may both use the Opponent's goods (the various medical devices) and also be in the market, for instance, for the services submitted in the Opponent's example (iv), i.e. may seek the services of someone for the "design and development of computer software for use in medical technology". Therefore, on a wide construction of Opponent's Class 42 services and having in mind the hypothetical permutations submitted by the Opponent, the respective goods and services may be said to overlap in their users, and possibly their channels of trade. If a service such as submitted at (vii), namely "design and development of software for the creation and manufacture of medical and surgical devices", were construed to be within the Applicant's "Software as a service; none relating to the sale of medical devices", then it may also be argued that those services are "complementary" to the Opponent's goods, in the sense described in *Boston Scientific* i.e. those goods and services may be considered "indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking". **I therefore find a degree of similarity between the Opponent's goods and the Applicant's services in Class 42 "Software as a service; none relating to the sale of medical devices", but only to a degree between low and medium.**

The average consumer and the purchasing process

45. It is necessary to determine who is the average consumer for the respective goods and how the consumer is likely to select the goods and services at issue. It must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question²⁷. In *Hearst Holdings Inc*,²⁸ 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 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... [it] does not denote some form of numerical mean, mode or median."

²⁷ *Lloyd Schuhfabrik Meyer*, Case C-342/97

²⁸ *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*, [2014] EWHC 439 (Ch)

46. In respect of the Opponent's goods, the average consumer will most likely be someone working in the medical sector, either as a practitioner or in a procurement role. They will encounter the mark on the goods or the packaging for the goods, and on promotional and administrative materials, including websites, brochures and invoices. Therefore, I consider the purchase to be a primarily visual one, but aural considerations may also play a part, such as on the basis of word of mouth recommendations through sales representatives, so I also take into account the aural impact of the marks in the assessment. The level of attention of the average consumer in selecting and buying the goods specified in this case will be higher than a normal level, given the specialist nature of the goods, and their potentially life or death importance.
47. The average consumer for the Applicant's "software as a service" in Class 42 will most likely be someone from the business sector at large (excluding a business relating to the sale of medical devices). They will encounter the mark on advertising materials and business materials, including websites, signage and brochures. Therefore, I consider the purchase to be a primarily visual one²⁹, but aural considerations may also play a part, such as on the basis of word of mouth recommendations, so I also take into account the aural impact of the marks in the assessment. The level of attention of the average consumer in selecting and buying the Class 42 services specified in this case will be higher than a normal level, given the importance to the business of access to appropriate and reliable software, and the associated cost of those specialist business services.
48. A comparable analysis and profile would apply for the average consumer of the Applicant's Class 35 recruitment consultancy services, but since I find no similarity in respect of those services, there is no need to explore consider that profile further.



Comparison of the marks

49. It is clear from *Sabel* that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo* that: "*.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by*

²⁹ See paragraphs 49 and 50 of the judgment of the General Court in *New Look Limited v OHIM*, joined cases T-117/03 to T-119/03 and T-171/03.

means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

50. It would therefore be wrong to dissect the trade marks artificially, but it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are shown below:

Applicant’s contested trade mark:	
Opponent’s figurative mark:	
Opponent’s word mark:	<p style="text-align: center;">APPLIED MEDICAL</p>

51. The overall impression of the Applicant’s mark, is that it consists of two parts - the word “applied”, and to the left of that word is a device made of three straight beams of square cross-section which meet pairwise at right angles at the vertices of the triangle they form. The text and the device contribute strongly to the overall impression, but the textual element is likely to be more readily retained in the perception of the average consumer and has the greater impact in the overall impression.

52. The overall impression of the Opponent’s figurative mark, is that it is an abstract three-sided shape, featuring curves that give it a sail-like aspect, with two strips peeling from the solid shape.

53. The overall impression of the Opponent's word mark derives from its two component words. Both are common ordinary English words that here combine to serve as a cohesive trade mark unit. Each word is vital to the overall impression of the mark, but the word "APPLIED" carries the greater role, because it is read first and it describes or qualifies the word "MEDICAL", which latter word is not distinctive in relation to the Opponent's goods.

Similarity of the Opponent's figurative mark

54. *Visual comparison:* The Opponent's figurative mark differs notably from the Applicant's mark since the latter includes a textual element, whereas the Opponent's figurative mark includes no textual element. Both have a device, but the devices are quite different: the Applicant's device is geometric and open in its appearance, with suggestions of different shadings of light; the Opponent's figurative mark is flatter in appearance, uniform in colour, different in orientation and featuring curves and strips not present in the Applicant's mark. Taking account of the overall impressions of the marks from the perspective of the relevant average consumer, I do not find them visually similar. The Opponent contends that the marks are similar because "they both consist of a triangular device". If I am wrong in my primary finding, and the commonality of a device with three sides is enough to give rise to similarity, then the marks are visually similar, but only to the lowest degree, given the very significant differences.

55. *Aural similarity:* The Applicant's mark will be read and voiced as the word "applied"; the device elements present in the marks are not spoken and play no part in an assessment of aural similarity. Since the Opponent's figurative mark involves only a device, there can be no assessment of aural similarity or dissimilarity³⁰.

56. *Conceptual similarity:* The textual message present in the Applicant's mark, absent from the Opponent's figurative mark creates a clear conceptual difference. Even though the device element in each of the respective marks has three sides, the impression of the devices is entirely different – the Applicant's being a depiction of a triangular impossible object³¹, the Opponent's abstractly suggestive of a sail. The marks are not conceptually similar.

30 See paragraph 18 of the decision of the Appointed Person in TICTRAC Case O-223-18, citing the authority of the CJEU in Golden Eagle T-5/08 to T-7/08 at paragraph [67]

31 What I believe is known as the "Penrose triangle / tribar".

Similarity of the Opponent's word mark

57. *Visual comparison:* The marks differ notably in that the Applicant's mark has a large and striking device element, entirely absent from the Opponent's word mark. Also, the Opponent's word mark comprises two word elements, whereas the Applicant's mark contains just one word. However, the marks share the distinctive and dominant word "applied". Taking account of the overall impressions of the marks I find them visually similar to a medium degree.
58. *Aural similarity:* The device element in the Applicant's mark plays no part in an assessment of aural similarity. The Applicant's mark will be read and voiced as the word "applied"; the Opponent's word mark as the words "applied medical". I find the parties' marks to be aurally similar to a medium degree.
59. *Conceptual similarity:* Noting the distinctive device present only in the Applicant's mark, and noting the differentiating (and unit forming) additional word ("medical") present in the Opponent's word mark, I find that the shared presence in the parties' marks of the ordinary word "applied" only gives rise to conceptual similarity that I estimate as being to a degree between low and medium.

Distinctiveness of the earlier marks

60. The distinctive character of the earlier marks must be assessed, as the more distinctive the earlier mark, either inherently or through use, the greater the likelihood of confusion, to the extent that the distinctive character resides in the element(s) of the marks that are identical or similar³². In *Lloyd Schuhfabrik*, the CJEU stated that:

"22. 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, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

³² *Sabel* at [24] and paragraphs 38 and 39 of *Kurt Geiger v A-List Corporate Limited*, BL O-075-13.

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)".

61. The Opponent's **figurative mark** has no descriptive or allusive element in relation to the goods for which it is registered, which tends to give it a degree of inherent distinctiveness, but being simply a (not especially elaborate) device, with no text to assist its recall by the average consumer, its degree of inherent distinctiveness is limited. The level of inherent distinctiveness of a trade mark may be enhanced through use in the UK, and whilst I could find in the evidence of use no information on market share, the mark has for well over five years been used throughout England, Scotland and Wales in relation to the goods, which have generated millions of pounds in income. I therefore find that use of the figurative mark has enhanced its distinctiveness for those goods so that overall it enjoys a reasonable (but not high) degree of distinctiveness.
62. The Opponent's **word mark** "Applied Medical" is strongly allusive in relation to the goods for which it is registered, much limiting its capacity for inherent distinctiveness, but I find that the evidence shows that use of the word mark has enhanced its distinctiveness such that overall it enjoys a reasonable degree of distinctiveness for those goods.

Conclusion as to likelihood of confusion

63. I make a global assessment of likelihood of confusion that takes account of my findings set out in the foregoing sections of this decision and of the various principles from case law outlined in paragraph 26 above. My findings included that the Opponent's goods are not similar to the Applicant's recruitment consultancy **services in Class 35**. In relation to the Class 35 services, there is therefore no likelihood of confusion to consider at all.

64. My findings also included that the Opponent's goods are similar to the Applicant's (software) services in Class 42 only to a degree between low and medium; and that the relevant average consumer of the goods and (software) services at issue will pay a higher than normal degree of attention. My primary finding in relation to **the Opponent's figurative mark** is that it is not visually, aurally nor conceptually similar to the Applicant's mark. On that basis, there is no likelihood of confusion to consider³³ for the figurative mark. However, even allowing for the possibility that the figurative mark may be considered to have a low degree of visual similarity with the Applicant's mark, those marks remain without aural or conceptual similarity and therefore similar to a very low degree overall and whatever distinctive character the figurative mark may have, I find that there is plainly no likelihood of confusion on the basis of that mark.
65. Neither do I find a likelihood of confusion arises on the basis of **the Opponent's word mark**. I note the medium degree of visual and aural similarity in the case of the word mark and that it enjoys a reasonable degree of distinctiveness in respect of the protected goods; and I bear in mind that a lesser degree of similarity between the goods and services may be offset by a great degree of similarity between the marks. However, taking account of the natures of the relevant average consumers, deemed well informed and reasonably circumspect and observant, and the distance between the respective goods and services, I find no likelihood that the average consumer, encountering the respective marks, would assume that the goods and the Class 42 services at issue are provided by the same or related undertaking. **Consequently, the opposition on the basis of section 5(2)(b) fails.**
66. My foregoing detailed analysis (in particular as to the extent of use of the Opponent's marks, and as to similarity in the respective marks and between the goods and services) to some extent aids my consideration of the remaining two grounds, which I deal with more succinctly.

The section 5(3) ground

67. Section 5(3) states that a trade mark that is similar to an earlier trade mark shall not be registered 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.

³³ See Lady Justice Arden at paragraph 49 of *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA. See too paragraphs 53 – 58 of the judgment of the CJEU in *Calvin Klein Trademark Trust v OHIM*, Case C-254/09 P.

68. The relevant case law for section 5(3) can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel Corporation*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure*, Case C-487/07 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; *Addidas Saloman*, paragraph 29 and *Intel*, paragraph
 - 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 of 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*).

69. The conditions of section 5(3) are cumulative. Firstly, it must be shown that the earlier mark has achieved a level of knowledge/reputation amongst a significant part of the relevant public. Secondly, it must be established that the level of reputation and the similarities between the parties' marks will cause the public to make a link between the marks, in the sense of the earlier marks being brought to mind by the later mark. Thirdly, assuming that the first and second conditions have been met, section 5(3) requires that one or more of three types of damage claimed will occur. A link between the marks does not automatically mean that damage would follow. It is unnecessary for the purposes of section 5(3) that the goods and services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks. I deal with these elements, so far as is necessary, below.

Reputation

70. The Opponent must establish that as at 10 November 2017, when the Applicant applied to register its mark, the Opponent had the requisite reputation arising from use of its marks in relation to the goods as claimed, namely:

Class 10: *Medical and surgical apparatus and instruments; dilators, catheters, trocars, clips, clamps, laparoscopic instruments, endoscopes, urological apparatus and instruments, electrosurgical cautery, cutting tools and coagulators; fluoroscopic instruments, access devices, occlusion devices, stents, graspers, retractors, flow retractors, vascular valve ablaters, aspiration and irrigation devices, elastomeric seals for use with access devices during surgery; parts and fittings for all the aforesaid goods*

71. The evidence provides no information on market share and limited detail on promotional expenditure. However, taking account, for example, of the Witness's statement as to the millions of pounds of turnover 2011 – 2017 and the sale in the UK of well over 150,000 medical devices/units in each of those years, together with **Exhibits JB1 – JB3**, I accept that the evidence filed³⁴, shows the requisite reputation among the relevant public (working in the medical sector, especially those involved in laparoscopic procedures). The reputation may more likely attach to the word mark, since it is more memorable than the figurative mark, but the evidence shows use of both marks (often together) and I accept that the reputation may also arise from the figurative mark.

Link

72. My assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors, including factors identified in *Case C-252/07 Intel Corporation [2008] ECR I-8823* as follows:

73. *The degree of similarity between the conflicting marks:* I have already found that **the Opponent's figurative mark** is not visually, aurally nor conceptually similar to the Applicant's mark, else at best has a low degree of visual similarity that may give rise to only a very low degree of overall similarity. In relation to the **Opponent's word mark** there is a medium degree of visual and aural similarity, but with a lower degree of conceptual similarity.

74. *The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public:* The Applicant's recruitment services in Class 35 are far from the Opponent's goods, with no overlap in the relevant users. Between the

³⁴ I bear in mind the CJEU guidance on assessing the existence of a reputation at paragraph 27 of its judgment in *General Motors* and at paragraph 59 of *Farmeco AE Dermokallyntika v OHIM* Case T-131/09.

Opponent's reputed goods and the Applicant's services in Class 42 (software as a service) there is, on the basis of the constructions considered previously, some similarity – but at best only to a degree between low and medium. The listed goods for which reputation is claimed are essentially different in nature from the Class 42 services, and there is no strong overlap in the relevant sections of the public.

75. *The strength of the earlier mark's reputation:* there is no express requirement as to the extent of the reputation necessary for section 5(3), beyond it being known to a significant part of the public. "Significant" is an imprecise term, and despite a lack of information on market share, when I take account of the evidence of **Exhibit JB2** showing the Opponent's recognition in the laparoscopic sector and its sponsorship-type support of relevant conferences and events, I accept that the Opponent's marks have a reasonably strong reputation in relation to goods particularly bearing on that medical/surgical field.
76. *The degree of the earlier mark's distinctive character, whether inherent or acquired through use:* I have found that the levels of distinctiveness of Opponent's marks, while not inherently high, have been enhanced through years of use in the UK and enjoy a reasonable degree of distinctiveness for the claimed goods.
77. *The existence of the likelihood of confusion on the part of the public:* I have already found no likelihood of confusion for the purposes of section 5(2)(b).
78. In view of the distance between the services and the goods at issue for section 5(3), the fact that any reputation is confined to a particular sector with limited potential overlap in the relevant public, and particularly noting the striking differences between the marks, I do not find that the later mark would bring to mind the earlier marks at all. Since the necessary link required under section 5(3) is therefore absent, it is unnecessary for me to proceed to consider whether any of the three types of damage claimed by the Opponent arise. **The Opponent's claim under section 5(3) fails.**

The claim under section 5(4)(a) of the Act

79. Section 5(4)(a) of the Act provides that: "... a trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented 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." Section 5(4) also states that "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'."

80. *The relevant date to establish passing off:* The risk of the registration of an applied-for mark being prevented by the law of passing off must be judged at a particular point in time. In the present case, it appears from **Exhibit JB4** that the Applicant has used the mark applied for, but it is not clear at what date that use commenced. In the circumstances, I take the date of filing the application as the (only) relevant date for assessing passing off³⁵, namely 10 November 2017 ("**the relevant date**").
81. *Requirements for passing off:* The criteria for a passing off claim have been well established through case law in the United Kingdom. As set out in the decision by the House of Lords in *Reckitt & Colman Ltd v Borden Inc*³⁶, the following three points must be established in order to claim passing off successfully:
- (a) First, the plaintiff must establish a **goodwill** or reputation, attached to the goods or services which it supplies, in the mind of the purchasing public, by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which its particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services.
 - (b) Second, the plaintiff must demonstrate a **misrepresentation** by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are the goods or services of the plaintiff.
 - (c) Third, the plaintiff must demonstrate that it suffers or that it is likely to suffer **damage** by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.

³⁵ See, for example, paragraph 43 of the decision in *Advanced Perimeter Systems Limited v Multisys Computers Limited* (BL O-410-11) where, sitting as the Appointed Person, Mr Daniel Alexander QC approved the summary of the relevant date in a passing off case as set out by Mr Allan James acting for the Registrar in SWORDERS TM 0-212-06

³⁶ [1990] 1 All E.R. 873

Goodwill

82. The first element described in *Reckitt & Colman* refers to “goodwill or reputation”, although case law has developed so as to distinguish between goodwill and “mere reputation” – the latter being insufficient alone to sustain a claim of passing off. To satisfy the first element of the tort, the Opponent is required to show that it has goodwill among UK consumers. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd*³⁷, Lord Macnaghten observed as follows:

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

83. As to establishing the necessary goodwill, I note the words of Pumfrey J. in *South Cone Incorporated v Jack Bessant*³⁸, where he stated:

“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.

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.”

³⁷ [1901] AC 217

³⁸ *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC) at paragraphs 27 and 28 of that ruling.



84. I also note the comment, in *Minimax*³⁹ by Floyd J. (as he then was) where he 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.”
85. The initial question that I therefore consider is: on the basis of the Opponent’s evidence, in relation to what goods or services can it be said that it has goodwill, in the mind of the purchasing public?
86. I accept the Opponent’s claim to the effect that the ‘attractive force that brings in custom’ under the claimed signs extends to all of the medical and surgical devices (apparatus and instruments) including their parts and fittings as claimed in **Class 10**. I also accept the Opponent’s claim to goodwill in relation to: “*the design, development, testing and manufacture of medical devices*” and “*the development of breakthrough technologies and solutions for minimally invasive and general surgery*”, since those services demonstrably underpin the basis of its medical device business. Although the evidence is thinner as to the extent and nature of its training and support offering in the UK, I also accept the Opponent’s claim to have goodwill in relation to “*education and training programs in relation to the use of medical devices, carrying out invasive procedures, carrying out surgical procedures; clinical training.*” However, in line with my explanation earlier in this decision⁴⁰, I reject the claim to any goodwill in relation to “*business management and business administration*”.
87. Having established the goods and services in respect of which the Opponent has goodwill, I move on to consider whether the goodwill or reputation can be said to extend to the services comprised in the Applicant's specification (as per the expectation anticipated by Pumfrey J in *South Cone*) and the separate, but related matter of whether use of the applied-for mark would give rise to a misrepresentation likely to lead the public to believe that the services offered by the Applicant are those of the Opponent.

³⁹ *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat)

⁴⁰ See paragraphs 23 - 24

Misrepresentation

88. The Opponent claims an earlier right in relation to the Applicant’s mark arising from its use both of the Opponent’s word sign (“Applied Medical”), and those words used alongside the device that is Opponent’s figurative mark, such that it appears as the sign below⁴¹ (“the Opponent’s combination sign”), which for ease of comparison I present side by side with the Applicant’s mark:

Applicant’s Mark	Opponent’s combination sign
	

89. The Opponent’s submissions in lieu argue that there is an overlap in respect of the goods and services on which the mark has been used by the Opponent and the (recruitment and software) services covered by the Application. I note that to the mix of services that I considered in paragraph 86 (where I found or rejected goodwill accordingly) the Opponent’s submissions add “graduate training programs; career development programmes”. While **Exhibit JB5** may show that the Opponent offers graduate training and provides information, training and career development for their sales and other staff, this is simply the Opponent recruiting and training its own staff and does not equate to recruitment consultancy services as per the Applicant’s specification. The Opponent has no goodwill for those activities; its employees are not its customers.

90. The Opponent also argues that it is important to consider how both the Opponent and the Applicant put their respective marks to use. The Opponent refers to points in the evidence, including **Exhibit JB4**, where the Opponent contends that “the Applicant appears to have adopted a colour scheme which is identical, or extremely close, to the scheme used by the Opponent. The Applicant has also incorporated a “ghost shape” within their get up...” which the Opponent contends is “similar to the concept that the Opponent uses as shown within their packaging”. It also points to incidences where “the

⁴¹ As I have said earlier, I disregard the line within this sign, which I attribute to its digital cut and pasting.

Applicant's mark APPLIED is used away from the triangular logo ... [e.g.] "Get in touch and get started with Applied" and "We started using Applied to recruit for our internship programme".

91. I note how the Opponent uses its signs and I make allowance for the ways in which the Applicant may reasonably and fairly use its mark were it to be registered, but I find nothing in the arguments put forward by the Opponent persuades me that use of the Applicant's mark would amount to a misrepresentation likely to deceive a substantial number of customers or potential customers⁴². (In any event, I note from the evidence nothing unusual in the way that the Applicant appears to deploy the applied-for trade mark, nothing in its get-up that suggests mimicking nor inadvertently referencing the Opponent.)
92. I reject the Opponent's submission that consumers will consider the services on offer by the Applicant to be connected to, endorsed by, or an extension of the Opponent's services (and that that would cause damage to the Opponent). When considered in the context of the limited potential for overlap in relevant consumer and especially the quite different respective goods and services and limitations of the Opponent's goodwill, the differences between the Applicant's mark and the signs relied on by the Opponent for its 5(4)(a) ground incline to the avoidance any risk of confusion. The distinctiveness of the signs / mark lies in their wholes and there appears no obvious logic as to why the Opponent would dispose of its second textual element – "Medical" (especially if it were providing its services in the medical sector). Nor as to why the Opponent would substitute its looser shaped device, with its solid block colour and curving strips, for the geometric impossible open triangle of the Applicant's mark. I find there is no misrepresentation and there can therefore be no passing off. **The claim under section 5(4)(a) must therefore fail** and it is unnecessary to deal with the criterion of damage.

CONCLUSION

The opposition has failed on all three grounds and the application can proceed for all of the goods or services applied for.

⁴² See paragraph 56 of *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)

COSTS

93. The opposition has failed and the Applicant is entitled to a contribution towards its costs in defending its application to register its trade mark. I award as follows:

Considering the Opponent's statement of grounds and preparing a counterstatement	£250
Considering the other side's evidence and submissions - (this is below the scale indication published in Tribunal Practice Notice 2/2016, since the Applicant itself filed no evidence or submissions in response to materials filed by the Opponent)	£300
Total	£550

94. I order Applied Medical Resources Corporation to pay Be Applied Limited the sum of £550 (five hundred and fifty pounds) which, in the absence of an appeal, should be paid within fourteen days of the expiry of the appeal period.

Dated this 19th day of February 2019

Matthew Williams
For the Registrar
