



Neutral Citation [2020] EWHC 28 (Ch)

Case No: O-125-19
Appeal No: CH-2019-000087

**IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
APPEALS (ChD)**

On appeal from the Trade Marks Registry (Mr George Salthouse), Decision O-125-19

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

Date: 25 February 2020

Before:

THE HONOURABLE MR JUSTICE MARCUS SMITH

**IN THE MATTER OF THE TRADE MARKS ACT 1994
AND IN THE MATTER OF UK TRADE MARK APPLICATION NO 3253561 BY ASIA
STANDARD MANAGEMENT SERVICES LIMITED TO REGISTER THE SERIES OF
TWO TRADE MARKS**

 **ASIA STANDARD**

 **ASIA STANDARD**

**IN CLASSES 16, 35, 36, 39, 41 AND 43
AND IN THE MATTER OF OPPOSITION THERETO UNDER NO 411006 BY
STANDARD INTERNATIONAL MANAGEMENT LLC
AND IN THE MATTER OF AN APPEAL**

**ASIA STANDARD MANAGEMENT
SERVICES LIMITED**

Appellant
(Applicant below)

- and -

**STANDARD INTERNATIONAL
MANAGEMENT LLC**

Respondent
(Opponent below)

Mr Gwilym Harbottle (instructed by **Joshi Worldwide IP Limited**) for the **Appellant**
Mr Christopher Hall (instructed by **Boult Wade Tennant LLP**) for the **Respondent**

Hearing date: 16 December 2019

Approved Judgment

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

Mr Justice Marcus Smith:

The Decision

1. On 30 August 2017, Asia Standard Management Services Limited (“Asia Standard”) applied to register the series of two trade marks shown in the title above (the “Marks”) in respect of the following Classes of goods and services:

Class 16	Cards; Business cards; Envelopes [stationery]; Letterheads; Forms, printed; Greeting cards; Magazines [periodicals]; Newsletters; Newspapers; Note books; Pictures; Postcards; Printed matter; Printed publications; Stationery
Class 35	Business management of hotels
Class 36	Accommodation bureau [apartments]; Apartment house management; Leasing of real estate; Real estate management; Rental of offices [real estate]; Renting of apartments; Renting of flats
Class 39	Arranging of tours; Booking of seats for travel; Car parking; Sightseeing [tourism]; Transport reservation; Travel reservation
Class 41	Amusements; Arranging and conducting of concerts; Booking of seats for shows; Conducting of concerts (arranging and); Club services [entertainment or education]; Entertainer services; Entertainment; Health club services [health and fitness training]; Night clubs; Organisation of sports competitions; Party planning [entertainment]; Presentation of live performances; Production of shows; Providing casino facilities [gambling]
Class 43	Accommodation bureau [hotels, boarding houses]; Bar services; Cafés; Cafeterias; Canteens; Food and drink catering; Hotel reservations; Hotels; Motels; Rental of meeting rooms; Rental of temporary accommodation; Restaurants; Self-service restaurants; Snack-bars; Tourist homes

2. The application was examined and accepted and subsequently published for opposition purposes on 15 September 2017 in Trade Marks Journal No 2017/037.
3. On 8 December 2017, Standard International Management LLC (“Standard International”) filed a notice of opposition, which was subsequently amended. The basis for this opposition was that Standard International was registered as the proprietor of earlier trade marks (the “Standard Marks”) and that the Marks were “similar to an earlier trade mark [i.e., the Standard Marks] and [are] to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected” and “there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark” within the meaning of section 5(2)(b) of the Trade Marks Act 1994.
4. The opposition was heard in the Trade Marks Registry before the Hearing Officer, Mr George Salthouse, on 31 January 2019. In a decision dated 6 March 2019 (the

“Decision”), the Hearing Officer concluded that the opposition should succeed. The Hearing Officer directed himself as to the factors that needed to be borne in mind when considering whether there was a “likelihood of confusion” within the meaning of section 5(2)(b), but he considered these factors only in relation to a single service in respect of which Asia Standard sought to register the Marks, as opposed to each of the goods/services (or homogeneous group of goods/services) in respect of which Asia Standard sought registration.

5. The Hearing Officer’s reasoning was that if he selected a good/service where there was the highest level of attention on the part of the public, and so the lowest risk of confusion, and found that even in the case of this good/service there existed a likelihood of confusion, then he could safely conclude that there would also exist a likelihood of confusion in relation to other goods/services. The Hearing Officer’s approach is apparent from the following exchange with Mr Harbottle, counsel for Asia Standard, during the course of argument:

Q (The Hearing Officer) If I can help you there, my intention is when Mr Harbottle gets to speak is to enquire from him which of the services he would believe would be of the highest level of attention and start with those. Obviously, if I found that there was a likelihood of confusion with something which was the highest level of attention from the average consumer, and therefore was taking out imperfect recollection, it stands to reason to me that those services and goods which have a lower degree of attentiveness from the average consumer, if I were to find likelihood of confusion, would come within the remit as well. If I do not find that the ones with the highest level of attention would be likely to be confused, then I have to find a medium, and so on and so on. I take it that meets with your approval?

A (Mr Harbottle) Yes. The consumers may be slightly different, though, from different classes of goods, but the category of average consumer may be different.

Q (The Hearing Officer) So, if a member of the public pays a very high level of attention to the selection of the goods or service and a business pays a very high level of attention to the selection of goods or service, you think there is a difference between the business paying higher levels of attention than the average consumer?

A (Mr Harbottle) For example, the consumer of business management of hotels is very different to the consumer of booking of seats for travel. I would submit that they need to be considered, as it were, one by one.

Q (The Hearing Officer) I am puzzled as to why. If something is given the highest level of attention by the consumer and yet I still find there is a likelihood of confusion, why would I then sort of say, however, when it comes down to the bag of sweets, there would not be confusion because obviously they are paying absolutely no attention to the mark.

A (Mr Harbottle) I suppose I think that what I am really saying is that it is the Tribunal’s job to look at each individual hypothetical

situation in relation to whether there will be confusion so that the way it will be presented may be different in relation to something like business management of hotels than sweets or whatever. One has to look also at how much attention the consumer would give but also how it might be presented in each individual case.

Q (The Hearing Officer) I will take your thoughts into account, but I do not think I agree with them...

6. Despite Mr Harbottle’s objections, this was the approach taken by the Hearing Officer in the Decision. At [30] of the Decision, the Hearing Officer held:

“At the hearing, Mr Harbottle identified a number of services which he felt would be chosen with a high level of attention. As I stated at the hearing, it is my opinion that if the average consumer will pay a high level of attention to the selection of a service which is only similar/reasonably similar or moderately similar to the opponent’s services and I find a likelihood of confusion, it follows that where the degree of attention is less or where the goods and services are of greater similarity there must be an even greater chance of a likelihood of confusion. Therefore, I need only to consider a service or good which is merely similar but where the average consumer will pay a high level of attention to the selection. One such service identified by the applicant is “providing casino facilities (gambling)” in Class 41. This was found to be merely similar to the opponent’s services in Class 41. It is my opinion that even given the high level of attention that would be paid to the selection of such services and the fact that the services of the two parties are merely similar the similarity of the marks is such that there is a likelihood that the average consumer, whilst not directly confusing them, would view the applicant’s mark as a specific sub-brand having a particular style or as an extension to the opponent’s brand. I can envisage a casino having an “Asian” style décor (a mix of that one might find at Indian, Thai or Chinese restaurants in the UK) with perhaps pagoda styling, with bamboo, lanterns, statues all finished in predominantly gold and red. In addition or possibly instead of such décor, there might be what would be regarded as “Asian” betting games such as mah-jong, fan tan, pai gow or pachinko in addition to standard casino games such as roulette, blackjack and baccarat. Therefore, the opposition succeeds in respect of all the goods and services for which the application was made and which have been found to be identical or similar to whatever degree.”

Grounds of appeal

7. The essence of Asia Standard’s appeal was that the Hearing Officer erred in failing to consider separately each good or service in respect of which registration was sought by Asia Standard. Grounds 1, 2 and 3 of the appeal all go to this point:
- (1) **Appeal Ground 1** The Hearing Officer erred in principle by failing to consider whether there was a likelihood of confusion in respect of each sufficiently homogeneous category or group of goods or services in issue.
 - (2) **Appeal Ground 2** The Hearing Officer erred in reducing the question of likelihood of confusion in respect of goods and services other than “providing casino facilities (gambling)” to a mathematical application of two variables: (i) the degree of similarity of the respective goods and/or services and (ii) the degree of attention to be paid by the average consumer because as a result he failed to take account of the fact that the average consumer for different categories or groups of goods or services would be different and/or would have a different perception.

- (3) **Appeal Ground 3** Accordingly, the Hearing Officer erred in extrapolating his decision in relation to “providing casino facilities (gambling)” to all the categories of goods and services in issue without considering them separately.

The fourth ground of appeal is what Asia Standard call the “inevitable consequence” of the Hearing Officer’s approach:

- (4) **Appeal Ground 4** Further, the Hearing Officer failed to give any or any adequate reasons for his decision other than in relation to “providing casino facilities (gambling)”.

Given the extent to which they interrelate, I propose to consider all grounds of appeal together.

Analysis

8. Section 5(2)(b) of the Trade Marks Act 1994 involves two elements: the degree of similarity between the goods in issue; and the existence of a likelihood of confusion. I was referred to the decision of Mr Geoffrey Hobbs, QC, in O-399-10, *Separode*, where the case-law of the Court of Justice of the European Union (as it is now known) was helpfully summarised at [4]. At [5], Mr Hobbs, QC, said this (emphasis added):

“The basic question for determination is whether **X** times **Y** equals **Z**, with **X** being the degree of similarity between the marks in issue, **Y** being the degree of similarity between the goods in issue and **Z** being the existence of a likelihood of confusion. The decision-taker must give as much or as little significance to the visual, aural and conceptual differences and similarities between the marks in issue as the average consumer of the goods in issue would normally have attached to them at the date of the request for protection. **The determination must be made with reference to each of the different species of goods listed in the opposed application for registration**; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision-taker may address them collectively in his or her decision.”

9. Generally speaking, therefore, it is appropriate to consider the merits of an opposition on a good by good or service by service basis, accepting that it may be possible to group some goods/services together for these purposes because they are homogeneous. In this case, the Hearing Officer did not do so. Although the Hearing Officer considered, separately, questions of similarity (Decision at [14]ff) and likelihood of confusion (Decision at [27]ff), he did not approach either of these questions in this granular way.
10. As regards similarity, the Hearing Officer simply adopted the findings of the Hearing Officer in a prior application by Asia Standard in relation to similar marks to the Marks under consideration here (the “Earlier Decision”). It is, therefore, necessary to consider the nature and substance of Asia Standard’s prior application. Asia Standard’s prior application was in relation to a trade mark very similar to the Marks in this case. Essentially, the trade mark Asia Standard sought to register for a range of goods and services in Classes 16, 35, 36, 37, 39, 41 and 43 (i.e. including the Classes in respect of which Asia Standard sought registration of the Marks: see paragraph 1 above) was “ASIA STANDARD” without the symbols that appear to the left of that wording in the case of the Marks (the “Earlier Mark”).

11. In his Decision, the Hearing Officer recorded:

“14. The goods and services of the two parties to be compared are exactly the same as those that formed the comparison in the [Earlier Decision] involving both parties. In comments attached to its revised TM8, dated 29 June 2018, [Asia Standard] stated:

“5. However, [Asia Standard] does not seek in this opposition to challenge the factual findings in the [Earlier Decision] concerning enhanced distinctiveness and similarity/identity or otherwise of goods and services to the extent...that those findings are material to this opposition.”

And:

“[Asia Standard] admits that as at 21 July 2016, the opponent’s goods and services were similar to or as the case may be identical with those covered by [Asia Standard’s Marks]...”

15. As such, I can simply adopt the findings of the Hearing Officer in the [Earlier Decision], which are shown in column three alongside the goods and services to be compared.”

There then followed a table setting out these findings.

12. Unsurprisingly, given the concessions recorded by the Hearing Officer in his Decision, there is no appeal in relation to these findings.

13. It is – as is clear from Grounds 1, 2 and 3 of the appeal – the Hearing Officer’s approach to the question of likelihood of confusion that is the subject of this appeal. Here, the Hearing Officer’s approach was not to simply carry over the findings in the Earlier Decision. That was no doubt because the Marks did differ from the Earlier Mark: although, as will be seen, not by much. However, the Hearing Officer did not conduct a good by good/service by service approach. According to Asia Standard, the Hearing Officer failed to consider this question in a sufficiently granular manner and he erred in extrapolating his decision in relation to all goods/services from his assessment in relation only to one service, namely “providing casino facilities (gambling)”.

14. It is necessary to consider the Hearing Officer’s process of reasoning:

(1) In the Decision, the Hearing Officer found that the additional symbols added little by way of differentiation to the Marks, when compared with the Earlier Mark. At [26] of the Decision, he stated:

“The only difference between the marks in the original decision and in the instant case are the stylised letters “A” and “S” at the start of the mark. At the hearing, Mr Harbottle contended that the average consumer would not immediately recognise the stylised letters as the letters “A” and “S”, but would only come to the realisation of what they are after reading the whole of the mark. I tend to agree with him on this point and would go further in suggesting that some consumers would never make the connection and would simply regard the letters as being an obscure logo with no meaning at all, being just a simple geometric shape. However, I do not believe that this significantly assists [Asia Standard]. In my view, the average consumer is likely to look at the stylised letters and initially dismiss them as being of no consequence, only realising after they have read the rest of the mark that they are the letters “A” and “S” and so are a shorthand reference to Asia Standard. **In my opinion, the reduction of similarity represented by the stylised**

letters “AS” at the start of the applicant’s mark is sufficiently small that the marks continue to share a medium degree of similarity overall.”

(Emphasis in original.)

- (2) The Hearing Officer then directed himself to the question of likelihood of confusion, and it is clear that he had in mind his earlier conclusions on similarity (see, for instance, [27] of the Decision). He then reached the conclusion at [30], which I have set out in paragraph 6 above.
15. Taken in the abstract, without regard to the Earlier Decision, it is difficult to defend the Hearing Officer’s approach. His analysis, as I have set it out, begs the most enormous question: namely, the basis upon which he could find that a determination in relation to casino facilities could be determinative in relation to all other goods/services. However, given the Earlier Decision and the conclusion he reached at [26] of the Decision regarding the similarity of the Marks to the Earlier Mark (which is an altogether different matter to the similarity between goods considered earlier), it seems to me that, on the specific facts of this case, the Hearing Officer was entitled to approach the matter in the broadbrush way that he did. He took the view (as both his exchanges with Mr Harbottle, recorded at paragraph 5 above, and [30] of the Decision (quoted in paragraph 6 above) demonstrate) that in view of the Earlier Decision and given the very similar nature of the marks, it was only necessary to take the strongest case that Asia Standard could advance, to ensure that he could safely extrapolate from this case and the Earlier Decision, and hold that the same outcome pertained to the other, weaker, Classes. As Standard International put it in its written submissions (paragraph 37):
- “...the Hearing Officer (in paragraph 30) rightly reasoned that a likelihood of confusion must be weakest in relation to service with a relatively low degree of similarity and where the average consumer pays a high degree of attentiveness. He identified...such an example – that of “providing casino facilities (gambling)”. He went on to conclude that [Asia Standard] failed on that paradigm case. We have already noted that the Hearing Officer’s conclusion in relation to casino facilities is not challenged (and it follows that the finding in relation to those services must stand in any event). He was therefore entitled to dismiss the remainder of the (necessarily weaker) Application on the same basis.”
16. In its written submissions, Asia Standard quite properly directed me to *Virgin Enterprises v. Virginic LLC*, [2019] EWHC 672 (Ch) at [5]: this court should not interfere with the Hearing Officer’s decision unless it contains a distinct and material error of principle or is clearly wrong. The mere fact that I might have approached matters differently, or even have reached a different conclusion to that of the Hearing Officer, is not enough to permit the appeal to succeed. In the circumstances of this, second, application for registration of very similar marks to earlier marks whose registration was refused, I am not persuaded that the Hearing Officer’s approach and decision either contains a distinct and material error of principle or is clearly wrong.
17. In these circumstances, I consider that Appeal Grounds 1, 2 and 3 must fail. Appeal Ground 4 also fails: if the Decision is read as a whole, as it should be, the reasons for the Hearing Officer’s decision are clearly apparent.

Disposition

18. For these reasons, the appeal is dismissed.