

O-109-06

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2277411 BY
ORDNANCE SURVEY TO REGISTER THE TRADE MARK MERIDIAN
IN CLASSES 9, 16, 35 AND 42**

AND

**IN THE MATTER OF OPPOSITION NO 91957 BY
SOCIETE DES HOTELS MERIDIEN**

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**IN THE MATTER OF Application No 2277411
By Ordnance Survey to register the Trade Mark
MERIDIAN in Classes 9, 16, 35 and 42**

AND

**IN THE MATTER OF Opposition No 91957 by
Société des Hôtels Méridien**

BACKGROUND

1. On 8 August 2001 Ordnance Survey applied to register the mark MERIDIAN in respect of the following goods and services (as amended by Form TM21 filed on 22 September 2003):

Class 9

Computer software relating to a geographical database; none of which relates to providing information relating to travelling, travel magazines or travel guides.

Class 16

Product information leaflets, brochures and catalogues; all relating to digital map data or digital mapping software; but not including guides or travel magazines.

Class 35

Compilation of information relating to software for use as web pages on the Internet; compilation of directories for publishing on the Internet; administration services for the processing of sales made on the Internet; computer database management; none of which relates to providing information relating to travelling, travel magazines or travel guides.

Class 42

Computer software consulting services; information relating to computer software provided on-line from a global computer network or the Internet; none of which relates to providing information relating to travelling, travel magazines or travel guides.

2. On 5 September 2003 Société des Hôtels Méridien filed notice of opposition to this application. The opponent is a French company that owns CTM No 147959, Le MERIDIEN (stylised) in respect of goods and services in Classes 3, 8, 14, 16, 18, 19, 20, 21, 27, 28, 35, 37, 38, 39, 41 and 42. It is common ground that this is an earlier trade mark within the meaning of Section 6(1)(a) of the Act. The opponent claims that the applied for mark is similar to its own mark and covers identical and/or similar services such that there is a likelihood of confusion, contrary to Section 5(2)(b) of the Act.

3. Additionally, the opponent says that the application has been made in bad faith contrary to Section 3(6) of the Act. The basis for this claim is a decision by OHIM partially refusing the applicant's CTM application (No 722645) following opposition by the current opponent. It is suggested that the UK application is an attempt to get round OHIM's decision in the UK.

4. The applicant filed a counterstatement denying the above grounds. It denies visual and aural similarity between the marks and also any overlap in the goods/services. In relation to the bad faith claim the applicant says that it took care to file an application with a specification of goods and services which reflects its business interests.

5. Both sides ask for an award of costs in their favour.

6. Both sides filed evidence. Neither side has asked to be heard. Written submissions have been received from Frank B Dehn & Co on behalf of the opponent (under cover of a letter dated 12 December 2005).

Evidence

7. The opponent's evidence in chief consists of witness statements by David Mandefield, Legal Director, and Susan Clark, Senior Vice President, Marketing and Sales of the opponent company. Mr Mandefield's evidence goes to the ground under Section 3(6) for which purpose he appends a copy (and translation) of the decision of the OHIM Opposition Division.

8. Ms Clark's evidence consists in part of submission but she also exhibits copies of newspaper articles to demonstrate that her company and its chain of hotels are commonly referred to or recognised as simply 'Meridien'. The point I am asked to take from this is that the French definite article (le) does not always feature in references to the name and should be considered of less significance in the context of the mark as a whole.

9. The applicant has filed evidence in the form of a witness statement by Darcy Harmer-Manning, Product Manager for the MERIDIAN product at Ordnance Survey. He describes the goods of particular interest to the applicant as a mid-scales vector mapping product on CD ROM for use in a Geographical Information System (GIS) environment and claims use since 1996. Users of the product, of which there are said to be 105, include commercial organisations, utility companies, local and central government. Applications are said to include:

- Environmental analysis: flood areas analysis
- Land management
- Commercial and/or business site development
- Routing analysis
- Retail and/or wholesale trades
- Distribution networks: store and/or warehouse locations; and strategic business expansion and/or development
- Marketing and media planning: sales force locations and/or territories; sales prospecting; market analysis of customers, competitors or outlet densities; market analysis of direct mail responses; poster distribution;

TV and/or radio advertising regions; and product and/or brand promotion campaigns.

- Financial/Insurance: customer bases; and high/low risk areas
- Health: community health; and health black spots
- Leisure activities; large site planning , for example, golf courses; tourism; and theme park locations

10. Sales figures for the product are given by financial year as follows – £26,000 (1998/9), £119,000 (1999/2000), £105,000 (2000/1) and £398,000 (2001/2). The latter figure is not broken down between the period before and after the relevant date.

11. The opponent’s written submissions and reply evidence also refer to letters in support of its case that it appears the application failed to have admitted into the proceedings because they were not in proper evidential form. So far as I am aware there has been no appeal against that position. It follows that these letters have not been placed before me and I can take no account of them.

DECISION

Section 5(2)(b)

12. This reads:

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

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

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

13. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723. The guidance from these cases is now well known. Accordingly, I do not propose to set out the relevant passages. Suffice to say that the test is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those various elements, taking into account also the degree of identity/similarity between the goods and services and how they are marketed. In comparing the marks I must have regard to the distinctive character of each and assume normal and fair use of the marks across the full range of the goods and services within their respective specifications. The matter must be considered from the perspective of the average consumer who is deemed to be reasonably well informed and reasonably circumspect and observant.

The Marks

14. These are respectively MERIDIAN and Le MERIDIEN (stylised). The earlier trade mark has the word Le in a cursive script placed centrally above the word MERIDIEN. The word MERIDIEN is presented in block capitals and dominates the mark visually on account of its size. Ms Clark's evidence as to press reference/usage of 'Meridien' without the definite article confirms the view that I would in any case have held that the overwhelmingly dominant and distinctive element in the earlier trade mark is the word MERIDIEN. The word Le would be widely understood to be simply the French definite article and considered very much subordinate to MERIDIEN in terms of the contribution the respective elements make to the overall character of the mark.

15. The differences between the marks resides in the presence of 'Le' in the earlier trade mark and the variation in the final vowel. The latter is unlikely to have a significant impact on how the words MERIDIAN and MERIDIEN are pronounced or at least, I consider that to be the likely state of affairs in this country. Furthermore, a single letter difference towards the end of a medium length word does not provide a secure basis on which consumers might be expected to make a visual distinction between the competing marks.

16. Although MERIDIEN is a French word, its closeness visually and phonetically to the equivalent English word is such that, even someone with little knowledge of the French language, would be likely to derive the same meaning from the word. Conceptually too, therefore, there is a very close affinity between the words.

17. Taking the marks as whole I find that there is a high level of similarity between them and that they are distinctive for the goods and services concerned. It may be thought that that distinctiveness is somewhat diluted in the context of maps and mapping because of the meaning of meridian as one of the imaginary lines joining the north and south poles at right angles to the equator (see Collins English Dictionary). But there is no suggestion that the word is required or used descriptively. The applicant itself uses the word in a distinctive fashion.

The Goods and Services

18. The ECJ has given the following guidance in the Canon case when it comes to comparing goods (and services):-

“23 In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, intended purpose and their method of use and whether they are in competition with each other or are complementary.”

19. For ease of reference I set out below the applied for goods and services and the goods and services of the earlier trade mark that are said to be identical or similar.

Applied for goods and services	Earlier trade mark’s goods and services (relevant classes only)
Computer software relating to a geographical database; none of which relates to providing information relating to travelling, travel magazines or travel guides (Class 9).	Geographical maps, printed matter (Class 16)
Product information leaflets, brochures and catalogues; all relating to digital map data or digital mapping software; but not including guides or travel magazines (Class 16).	Geographical maps, printed matter (Class 16)
Compilation of information relating to software for use as web pages on the Internet; compilation of directories for publishing on the Internet; administration services for the processing of sales made on the Internet; computer database management; none of which relates to providing information relating to travelling, travel magazines or travel guides. (Class 35)	Advertising and business (Class 35).
Computer software consulting services; information relating to computer software provided on-line from a global computer network or the Internet; none of which relates to providing information relating to travelling, travel magazines or travel guides. (Class 42)	Communications (Class 38).

20. The opponent’s written submissions treat the objection to the Class 9 and 16 goods as being interrelated. Printed matter, for which the earlier trade mark is registered, is a broad term. The ‘product information leaflets, brochures and catalogues’ that feature in the applied for specifications are simply types of printed

matter. The notional scope of the term printed matter would encompass such things. The further restriction to “all relating to digital map data or digital mapping software; but not including guides or travel magazines” does no more than add a further layer of specificity without detracting from the proposition that the general must include the specific. The fact that the opponent also has coverage for ‘geographical maps’ as a stand alone item merely puts the applicant’s difficulty into even starker relief. I conclude that the Class 16 goods are identical and/or, in the case of the opponent’s geographical maps, closely similar.

21. The opponent’s earlier trade mark does not cover Class 9 goods. It follows that the applied for goods in that Class cannot be identical. But, applying the Canon test, they are likely to be closely similar being in effect goods equivalent to the opponent’s Class 16 goods but in a different format, namely a software version of a printed document (Class 16). In other respects consideration of the users, intended purpose, method of use and the fact that they are complementary or alternative formats suggests a reasonably high degree of similarity.

22. In relation to the Class 35 services the opponent’s written submissions are that:

“The Class 35 services covered by the Applicant’s mark are all types of “advertising and business” services and are, therefore, at least similar in nature and purpose to the Class 35 services covered by the Opponent’s mark. In particular, “compilation of information relating to software for use as web pages on the Internet; compilation of directories for publishing on the Internet” is essentially online advertising. “Administration services for the processing of sales made on the Internet” and “Computer database management” must be considered to be business services.”

23. It is not clear to me what the scope of the applicant’s services of ‘compilation of information relating to software for use as web pages’ might entail. I bear in mind also Jacob J’s (as he was then) cautionary remarks about the interpretation of terms used as definitions of services in *Avnet Inc and Isoact Limited* [1999] ETMR 562. The opponent’s submissions go rather further than I am prepared to go in characterising this part of the applicant’s specification as ‘online advertising’. If that were the case then the respective services would be identical or nearly so. Nevertheless, the compilation of information for use as web pages must be for a purpose and it is reasonable to infer that that purpose is akin to, or related to, an advertising function. Making the best I can of it I find these services to be similar but at a rather lower level of similarity than the opponent’s submissions might suggest.

24. The balance of the Class 35 specification is said to be, or equate to, a business service, ‘business’ being a term within the opponent’s Class 35 specification. I think that must be right so far as administration services are concerned even though those words are qualified by what follows. The general term ‘business’ must also be considered wide enough to cover the essential functions of setting up and operating a business. The management of a computer database seems to me to be an integral and essential part of that function and must be considered similar.

25. The opponent's submission in relation to the applicant's Class 42 services are that they "... bear similarities to the Opponent's "communications" services in Class 38. As stated in the Statement of Grounds of Opposition, "communications" is a broad term which encompasses communications by a range of means, including by computer and the Internet. "Computer software consulting services" and "information relating to computer software provided on-line from a global computer network or the Internet" incorporate and relate to communications services."

26. That is broadly consistent with the way the objection was framed in the statement of grounds.

27. The objection is based on the opponent's Class 38 services, namely 'communications'. The explanatory note to Class 38 in the Nice Classification (8th edition) indicates that the Class includes mainly services that allow at least one person to communicate with another whether by voice, message or other means. As I understand it, the Class is concerned primarily with the means of communications rather than the content of that communication. I do not, therefore, follow the opponent's submission that the applicant's services 'relate to communication services'. Computer software consulting services may be capable of being provided by means of, or over, a telecommunications system rather than face to face or by documentary means but on that basis any function or transaction which is capable of being undertaken or delivered over a telecommunications network would be similar to the communications service itself. Applying the *Canon* test, content will generally be considered quite different to the means by which that content is conveyed. I can see no relevant points of similarity between computer software consultancy services and communications. The same is broadly true of "information relating to computer software provided on-line from a global computer network or the Internet". The essence of the service is the provision of information relating to computer software. The means by which that information is conveyed is of incidental relevance only and not such as to render the service similar in any meaningful way to the means of transmission (be that via a computer network or the Internet).

Likelihood of Confusion

28. It is well established that this is a matter of global appreciation taking all relevant factors into account. I bear in mind that the applicant has filed evidence of use. This demonstrates that the applicant operates in a specialised marketplace. The applicant has not pleaded any further consequence of such use in terms of its impact on the likelihood of confusion. If the effect of that use was to suggest that both parties had traded in the same or at least an overlapping marketplace such that consumers had learnt that goods and services offered for sale under the respective marks were from different trade sources, then that would have been relevant to my consideration of the likelihood of confusion. As matters stand I have been told nothing about the opponent's trade and can only assume that the likelihood of confusion has not been tested in relation to the goods and services at the heart of this action. I think it is right to exercise caution in this respect. Whilst the parties' core activities may be well separated I note that applications for the applicant's mapping products and services include "Leisure activities; large site planning, for example, golf courses; tourism and theme park locations". That suggests some capacity for overlap with the opponent's business.

29. Likelihood of confusion must be considered by reference to the goods and services concerned and the average consumer for those goods and services. The notional scope of the respective specifications must also be borne in mind and not just the parties' existing trade. It would seem that the applicant's goods and services are in practice directed mainly at a professional audience of commercial organisations, utilities and other public sector bodies. But the applied for specification contains no such limitation and there is no reason in principle why the applicant's trade or an extension thereof could not also embrace a broader consumer base. The opponent's goods and services, too, must be taken to include both business users and the public at large.

30. I have found the marks to be closely similar and distinctive and certain of the goods and services to be identical or similar (albeit in varying degrees). In all the circumstances of the case I consider that there is a likelihood of confusion if the marks were used across the full range of goods and services for which they are respectively applied for and registered. The opposition thus succeeds against Classes 9, 16 and 35 but fails against Class 42 on the basis that there is no, or no material degree of, similarity between the services applied for in this Class and the opponent's Class 38 communications services.

Section 3(6)

31. Section 3(6) indicates that "a trade mark shall not be registered if or to the extent that the application is made in bad faith". The claim is that the application in suit is a device to get around a decision of OHIM which was adverse to the same applicant. A copy of the OHIM Opposition Division's decision and a certified translation thereof are exhibited to Mr Mandefield's witness statement. This case involved the same trade marks but a more restricted range of goods on the applicant's part namely "Computer software and data, all relating to maps and mapping; map plotting apparatus" (Class 9) and "Maps, charts, guides and printed publications" (Class 16). The opposition was upheld on the basis of the opponent's Community Registration (No 147959) in relation to all goods save for "map plotting apparatus". At the date of publication of the application the opponent's earlier trade mark had not been registered for five years so the opponent was not obligated to adduce proof of use of the mark. It seems, therefore, that the matter was decided on the basis of what amounted to submissions by the parties.

32. There is as yet no guidance from the European Court of Justice on what constitutes bad faith. So far as the UK Courts are concerned Lindsay J indicated in *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 that:

"I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the

paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances”.

33. More recently the Privy Council considered earlier authorities in *Barlow Clowes International Ltd (in liquidation) & Others v Eurotrust International Limited & Others*, (Privy Council Appeal No 38 of 2004 on which judgment was delivered on 10 October 2005). In particular, their Lordships considered a submission from Counsel that an inquiry into the defendant’s views about standards of honesty is required. The following passage from Lord Hoffman’s judgment sets out the position as follows:-

“[Counsel for the defendant] relied upon a statement by Lord Hutton in *Twinsectra Ltd v Yardley* [2002] 2 AC 164, 174, with which the majority of their Lordships agreed:

“35. There is, in my opinion, a further consideration which supports the view that for liability as an accessory to arise the defendant must himself appreciate that what he was doing was dishonest by the standards of honest and reasonable men. A finding by a judge that a defendant has been dishonest is a grave finding, and it is particularly grave against a professional man, such as a solicitor. Notwithstanding that the issue arises in equity law and not in a criminal context, I think that it would be less than just for the law to permit a finding that a defendant had been ‘dishonest’ in assisting in a breach of trust where he knew of the facts which created the trust and its breach but had not been aware that what he was doing would be regarded by honest men as being dishonest.

“36. I consider that the courts should continue to apply that test and that your Lordships should state that dishonesty requires knowledge by the defendant that what he was doing would be regarded as dishonest by honest people, although he should not escape a finding of dishonesty because he set his own standards of honesty and does not regard as dishonest what he knows would offend the normally accepted standards of honest conduct.”

15. Their Lordships accept that there is an element of ambiguity in these remarks which may have encouraged a belief, expressed in some academic writing, that *Twinsectra* had departed from the law as previously understood and invited inquiry not merely into the defendant’s mental state about the nature of the transaction in which he was participating but also into his views about generally acceptable standards of honesty. But they do not consider that this is what Lord Hutton meant. The reference to “what he knows would offend normally accepted standards of honest conduct” meant only that his knowledge of the transaction had to be such as to render his participation contrary to normally acceptable standards of honest conduct. It did not require that he should have had reflections about what those normally acceptable standards were.

16. Similarly in the speech of Lord Hoffmann, the statement (in paragraph 20) that a dishonest state of mind meant “consciousness that one is transgressing ordinary standards of honest behaviour” was in their Lordships’ view, intended to require consciousness of those elements of the transaction which make participation transgress ordinary standards of honest behaviour. It did not also require him to have thought about what those standards were.”

34. On the basis of these authorities it is clear that a finding of bad faith may be made in circumstances which do not involve actual dishonesty. Furthermore, it is not necessary for me to reach a view on the applicant’s state of mind regarding the transaction if I am satisfied that its action in applying for the mark in the light of all the surrounding circumstances would have been considered contrary to normally accepted standards of honest conduct.

35. In terms of the date at which the matter falls to be considered, it is well established that the relevant date for consideration of a bad faith claim is the application filing date or at least a date no later than that (*Hotpicks Trade Mark*, [2004] RPC 42 and *Nonogram Trade Mark*, [2001] RPC 21).

36. The evidence shows that the applicant largely failed to secure a Community Trade Mark registration in the face of the opponent’s own (earlier) Community registration. The Community Trade Mark system is subject to its own Regulation (Council Regulation 40/94 of December 20, 1993). In terms of the absolute and relative grounds on which marks are to be refused or invalidated, it closely mirrors the provisions of Council Directive 89/104 approximating the law of Member States. It is nevertheless a stand-alone system. Applicants are free to choose either the Community or national trade mark systems or, indeed, both depending on their commercial interests. The systems may, therefore, be seen as complementary to one another.

37. The Community Regulation provides in Article 108 for a process of conversion of a Community application or registration into national trade applications at the request of the proprietor if or to the extent that the Community trade mark application is refused or ceases to have effect (Article 108(1)). Article 108(2) makes certain exceptions from the conversion process including:

“(b) for the purpose of protection in a Member State in which, in accordance with the decision of the Office or of the national court, grounds for refusal of registration or grounds for revocation or invalidity apply to the Community trade mark application or Community trade mark.”

38. As I understand it, the effect of that provision is to disallow conversion in circumstances where, for instance, an opponent has succeeded on the basis of a national right in the country or countries which are the subject of the conversion request. The logic behind that provision is plain to see and is intended to prevent an application from being converted and re-activated as a national trade mark application simply to escape the effects of a finding before OHIM where, of necessity, the factual

circumstances and relevant date would mirror those which led to the adverse decision before OHIM.

39. Those circumstances can be distinguished from the position here. The application before me is not the result of a conversion into a UK national trade mark application. Indeed, the disqualifying circumstances set out in Article 108 would have prevented the Community Office from sanctioning any such conversion request.

40. In other respects, and given the parallel and complementary nature of the Community and national systems, I consider that I should be slow to infer that the applicant's wish to have an application considered under the UK national trade mark system should be considered an act of bad faith even if it is possible to postulate circumstances where such a finding might be possible. Even if I am wrong in so holding, the particular circumstances of this case would have led me to the same conclusion. In this regard I note that:-

- the application filing date of 8 August 2001 is over three and half years later than that of the partially refused Community application (14 January 1998).
- the specifications applied for in Classes 9 and 16 have been adjusted presumably in an attempt (albeit failed) to accommodate the perceived interests of the opponent company.
- the position in relation to Classes 35 and 42 was not tested at all in the OHIM opposition action.
- the application's use in the UK would, on the evidence before me, have been nil to minimal at the filing date of the OHIM application but has now developed into a trade of rather more substance.
- the applicant would not have known whether the opponent's position had changed in the intervening period not least because the opponent was silent in the OHIM action as to its own actual or intended use (and has remained so here).

41. It follows that I reject the opposition in so far as it is based on a bad faith claim. That is, a fortiori, the position in relation to the Class 42 services which survived the attack under Section 5(2)(b) as this Class did not feature in the OHIM application.

42. The application will be allowed to proceed, if within 28 days of the expiry of the appeal period, the applicant files a Form TM21 restricting its specification to

“Computer software consulting services; information relating to computer software provided on-line from a global computer network or the Internet; none of which relates to providing information relating to travelling, travel magazines or travel guides.” (Class 42)

If no Form TM21 is filed within this period the application will be refused in its entirety.

COSTS

43. As matters stand the opponent has succeeded under Section 5(2)(b) in relation to three of the four applied for classes but failed in relation to one Class and failed entirely under Section 3(6). In the circumstances each side can claim a measure of success and I propose to make no award of costs.

Dated this 24th day of April 2006

**M REYNOLDS
For the Registrar
The Comptroller-General**