

O/036/12

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NOS 2442444, 2442447 AND 2459605 BY

WAPPLE.NET LIMITED

TO REGISTER THE TRADE MARKS:

WAPPLE

AND



AND



AND

THE CONSOLIDATED OPPOSITIONS THERETO

UNDER NOS 95786, 95787 AND 95890 BY

APPLE INC

1) On 23 December 2006, Wapple.net Limited (WN) filed an application to register the trade mark **WAPPLE** (no 2442444). The trade mark was published in the *Trade Marks Journal*, for opposition purposes, on 14 September 2007 with the following specification:

*downloadable mobile phone content including logos, ring tones, Internet and wireless application protocol (WAP) games, pictures, wallpapers, animations and applications; all of the aforesaid being downloadable via the mobile phone wireless application protocol (WAP); mobile phone accessories; software to enable the construction of internet sites designed to be viewed via mobile devices and/or software to enable access to the Internet from mobile devices; software for mobile Internet technology; software to build internet sites designed to be viewed via mobile devices using wireless application protocol; software to enable videos, games, graphics, music and/or animated images to be transmitted, viewed and/or managed; software and/or apparatus for profiling and identifying a mobile device to optimise the delivery of internet sites viewed by that mobile device; software and/or apparatus which allows users to carry out marketing and promotions via mobile devices; software to allow technology to prevent and control unauthorised peer-to-peer file sharing as a solution to digital rights management;*

*wireless application protocol (WAP) search engine, portal and directory services; provision of access to an accredited developers network allowing third parties to use and/or resell mobile phone technology and services;*

*non-downloadable games, pictures, chat room services; all made available via the mobile phone wireless application protocol (WAP);*

*development of wireless application protocol (WAP) software engines; wireless application protocol (WAP) web-site hosting services. Software development, licensing of software, development of software for mobile telephony services; licensing of software for mobile telephony services; consultancy services relating to technology available for marketing and/or promotional activities via mobile devices and/or technology which profiles and identifies a mobile device and/or technology which controls and prevents unauthorised peer-to-peer file sharing; hosting of internet sites designed to be viewed via mobile devices using wireless application protocol.*

The above goods and services are in classes 9, 38, 41 and 42 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 23 December 2006, WN filed an application to register a series of two trade marks:



The application (no 2442447) was published on the same date with the same specification as 2442444.

3) On 27 June 2007, WN filed an application to register the trade mark:



The trade mark (no 2442447) was published in the *Trade Marks Journal*, for opposition purposes, on 26 October 2007 with the following specification:

*software to enable the construction of Internet sites designed to be viewed by mobile devices and/or software to enable access to the Internet from mobile devices; software to build Internet sites designed to be viewed via mobile devices using wireless Internet protocol (WAP); software to enable videos, games, graphics, music and/or animated gifts to be transmitted, viewed and/or managed; software and/or apparatus for profiling and identifying a mobile device to optimise the delivery of Internet sites viewed by that mobile device; software and/or apparatus which allows users to carry out marketing and promotions via mobile devices; downloadable mobile phone content including logos, ringtones, Internet and WAP games, pictures, wallpapers, animations and applications; all of the aforesaid being downloadable via the mobile phone WAP; mobile phone accessories.*

The above goods are in class 9 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

4) Apple Inc (AI) has filed notices of opposition to the registration of the trade marks. AI claims that the registration of the trade marks would be contrary to sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act).

5) In relation to sections 5(2)(b) and 5(3) of the Act AI relies upon four trade mark registrations, all for the trade mark **APPLE**:

- United Kingdom registration no 1246443. The application for registration was filed on 18 July 1985 and the registration process was completed on 20 November 1992. The trade mark is registered for:

*computers; computer terminals; video display units; disc driving apparatus; computer driven printers; computer networking installations; electronic data communications apparatus and installations; electronic apparatus and instruments for recognising digital and analogue codes; control apparatus and instruments; cards, discs, tapes, wires, microchips and electronic circuits all for the recordal of data; racks, cabinets and holders, all for the aforesaid goods; parts and fittings for all the aforesaid goods; computer programs and computer software, none relating to fruit; all included in Class 9.*

- United Kingdom registration no 1276764. The application for registration was filed on 1 October 1986 and the registration process was completed on 1 November 1991. The trade mark is registered for:

*consultancy, design, testing, research and advisory services, all relating to computing, data processing and computer programming; computer aided design and engineering services; lithographic printing; computer programming; computer systems analysis; computer time sharing; research and development of computer hardware and of software; technological services relating to computers; leasing of access time to a computer database; all included in Class 42; but not including any such services relating to fruit.*

- Community trade mark registration no 753. The application for registration was filed on 1 April 1996 and the registration process was completed on 3 February 1999. The trade mark is registered for:

*computers, computer terminals, keyboards, printers, display units, terminals; modems; disc drives; computer peripherals; communications equipment; facsimile machines, answering machines telephone-based information retrieval systems; adapters, adapter cards, connectors and*

*drivers; blank computer storage media, computer programs, operating systems, computer hardware, software and firmware; computer memory devices; data recordings; cameras; fonts, typefaces, type designs and symbols; chips, discs and tapes bearing or for recording computer programs and software; random access memory, read only memory; solid state memory apparatus; electronic communication equipment and instruments; telecommunications apparatus and instruments; computer and electronic games; related computer equipment for use therewith ; multimedia products comprising or for use with any of the aforesaid goods; interactive products comprising or for use with any of the aforesaid goods; parts and fittings for all the aforesaid goods;*

*printed matter in the field of computers, multimedia products, interactive products and online services; instructional and teaching materials; magazines, newsletters, periodicals and printed publications; manuals, pamphlets, brochures and catalogues; office requisites; computer disk holders; paper and stationery, desk accessories, telephone and address books, agendas, diaries, calendars, decals, and bumper stickers; parts and fittings for all the aforesaid goods;*

*communication by computer, computer intercommunication; telecommunications services; telex, telegram and telephone services; rental, hire and leasing of communications apparatus and of electronic mailboxes; electronic bulletin board services; electronic transmission of data and documents via computer, delivery of data and messages by electronic transmission;*

*educational services, providing of training, instruction and entertainment in the field of computers, multimedia products, interactive products and online services, and distributing course materials therewith; arranging and conducting of exhibitions, workshops, seminars and video conferences; publication of printed matter and of instructional and teaching materials;*

*promoting the interests of computer user groups and computer online user services; computer consultation, design; testing, research and advisory services; research and development of computer hardware and software; leasing access and providing access to an electronic computer bulletin board; updating of computer software; computer time-sharing services; leasing and rental of computers; lithographie printing; computer-aided design and engineering services; computer systems analysis; computer programming services; computer services relating to multimedia and/or interactive products; provision of computer databases.*

The above goods and services are in classes 9, 16, 38, 41 and 42 respectively of the Nice Agreement concerning the International

Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

- Community trade mark no 2593168. The application for registration was filed on 26 February 2002 and the registration process was completed on 7 August 2003. The trade mark is registered for:

*scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus; but not including sound records, video records or cinematographic films;*

*toys, games and playthings, including electronic games; hand-held electronic games and apparatus; stand alone video output game apparatus (apparatus for electronic games other than those adapted for use with television receivers only); computer games; apparatus and instruments adapted for playing computer games; educational toys; toy computers (not working); parts and fittings relating to all the aforesaid;*

*transport services; packaging and storage of goods; storage in warehouses, freighting and delivery of computers and related accessories; storage of electronically-stored data or documents; advisory and consultancy services relating to all the aforesaid.*

The above goods and services are in classes 9, 28, and 39 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

6) AI claims that it has a reputation in relation to all of the goods and services of its earlier registrations for the purposes of section 5(3) of the Act. It claims that it has made genuine use of trade mark registration nos 1246443, 1276764 and 753 in respect of all of the goods and services for which they are registered.

7) AI also claims that APPLE is a well-known trade mark as per article 6 bis of the Paris Convention. However, it has not specified in relation to which goods and services this claim is made, so this basis for the purposes of section 5(2)(b) of the Act must be dismissed. It is also to be noted that owing to its earlier registrations, it will be in no better position in relation to a well-known trade mark.

Consequently, the claim is deficient in an essential element and adds nothing to AI's case.

8) AI's claims under sections 5(2)(b) and 5(3) are in the most general of terms; effectively, simply claiming that its grounds of oppositions satisfy the requirements under these heads of damage.

9) AI claims that registration of the trade marks would be contrary to section 5(4)(a) of the Act. It claims that it is the proprietor of signs comprising of or containing APPLE which have been used in the course of trade in the United Kingdom since 1977. AI claims that, because of this use, use of the trade marks of WN would be liable to be prevented by the law of passing-off. It also claims that owing to the reputation that it enjoys, use of the trade marks of WN would trade off AI's reputation. AI gives an extensive list of goods and services, including all the goods and services of its registrations, in relation to which it claims that it has a goodwill.

10) AI describes itself as "a world-renowned computer and consumer electronics company producing personal computers and a wide variety of associated hardware, computer software, digital music and/or video players and other consumer electronic devices. In addition, the Opponent provides a broad range of computer and telecommunication services."

11) WN filed counterstatements.

12) WN puts AI to proof of use of the trade marks<sup>1</sup>, which are subject to the proof of use requirements, in respect of the following goods and services:

"Class 9: Computer programs and computer software, telephone based information retrieval systems, software and firmware, data recordings, computer and electronic games, multimedia products comprising or for use with any class 9 goods; interactive products comprising of or for use with any class 9 goods.

Class 38: Communications by computer, computer intercommunications telecommunications services; electronic, transmission of data and documents via computer, delivery of data and messages by electronic transmission, receipt and delivery of digital music, video and other content by telecommunication and electronic transmission, providing wireless telecommunications via electronic communications networks.

Class 41: Instruction and entertainment in the field of computers, multimedia products, interactive products and online services.

Class 42: Consultancy, design, testing research and advisory services, all relating to computing, data processing and computer programming; computer aided design and engineering services; computer programming; computer

systems and analysis, research and development of computer hardware and of software technological services relating to computers; computer consultation, design, testing, research and advisory services; research and development of computer hardware and software; computer services relating to multimedia and/or interactive products; provision of computer databases.”

(“[R]eceipt and delivery of digital music, video and other content by telecommunication and electronic transmission, providing wireless telecommunications via electronic communications networks” does not appear in the specifications of the registrations.)

13) WN denies that any of its trade marks are similar to APPLE and that the goods and services of its applications are similar to those of AI’s earlier registrations. WN makes no admission to the claimed reputation of AI in respect of section 5(3) of the Act. WN states that it is the registered proprietor of United Kingdom registration no 2368198 for the trade mark “Wapple.net” which, it states, has been “used and which has co-existed on the Register alongside the Opponent’s Registrations since 2004 without complaint or confusion or association”.

14) Both parties filed evidence.

15) A hearing was held on 2 December 2011. WN was represented by Mr Andrew Norris of counsel, instructed by Gateley LLP. AI was represented by Mr Mark Engelman of counsel, instructed by Edwards Wildman Innovations LLP.

#### ***Evidence of Tom Blackett of 24 August 2009***

16) Mr Blackett states that he is an independent brand consultant. He was previously the deputy chairman of the Interbrand Group.

17) Mr Blackett gives a history of AI. He refers to various sources but does not exhibit the sources. He states that:

“The APPLE brand therefore enjoys the highest reputation and is now one of the best known and most valuable in the world. The APPLE name is highly distinctive and I believe enjoys the comfort of protection in all the trade mark classes within which it is registered. It is my view that APPLE has become an iconic brand.”

18) Mr Blackett’s statement is made several years after the dates of application. There is no explanation as to which trade mark classes for which APPLE is registered he is referring. It is a bold statement to refer to reputation by class, not even by reference to goods and services. In this case AI relies upon, inter alia, nautical, surveying, weighing and life saving apparatus, fire extinguishing apparatus and transport services. Mr Blackett also makes reference to the



iPhone, a product that was not available until 9 November 2007 in the United Kingdom (see below).

19) Mr Blackett goes on to give his opinion in relation to the grounds of opposition and opines, effectively, that AI should succeed in relation to the grounds of opposition.

20) Effectively, the evidence of Mr Blackett attempts to usurp the rôle of the decision maker. It is the rôle of the decision maker to decide what AI has established in relation to its use and whether it succeeds or fails on the grounds of opposition. Arden LJ in *esure Insurance Limited v Direct Line Insurance Plc* [2008] EWCA Civ 842 stated:

“62. Firstly, given that the critical issue of confusion of any kind is to be assessed from the viewpoint of the average consumer, it is difficult to see what is gained from the evidence of an expert as to his own opinion where the tribunal is in a position to form its own view. That is not to say that there may not be a role for an expert where the markets in question are ones with which judges are unfamiliar: see, for example, *Taittinger SA v Allbev Ltd* [1993] FSR 641. However, the evidence of Mr Blackett on confusion was of no weight in this case: he merely gave evidence as to his own opinion about a market which would be familiar to judges. If more cogent evidence of customer perception is needed, the traditional method of consumer surveys must (subject to my second point) carry more weight and is to be preferred. Mr Mellor went so far as to suggest that expert evidence is inadmissible on the question of consumer perception. **I do not consider that it is necessary to go quite that far because there are exceptional situations, but I note that in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at 290-291 Millett LJ, with whom Hobhouse and Otton LJJ agreed, considered that the evidence of trade witnesses who gave their opinion of the likelihood of confusion was "almost entirely inadmissible". He added: "It is not legitimate to call such as witnesses merely in order to give their opinions whether the two signs are confusingly similar. They are experts in the market, not on confusing similarity."** The cogency of their evidence must in any event, save where expert knowledge of the particular market is required, be in real doubt. Its use may therefore lead to a sanction in costs. (Mr Mellor also made objections to the evidence of Mr Tildesley, but in the circumstances it is unnecessary for me to deal with these separate objections.) If the objection can be dealt with as one going to weight, this is often the course which the court takes: *Re M & R (Minors) (Sexual abuse: expert evidence)* [1996] 4 All ER 239.”

(Emphasis added)

21) Mr Blackett is not an expert in any particular market, he is an expert in branding. The evidence of Mr Blackett does not assist in these proceedings.

***Witness statement of Thomas R La Perle of 24 August 2009***

22) Mr La Perle is a director of AI; he manages AI's trade mark, copyright and enforcement group. He has been employed by AI continuously since September 1999.

23) The evidence of Mr La Perle is summarised on the basis of the concession made by Mr Norris at the hearing. In his skeleton argument he submitted:

“It cannot be sensibly disputed that the Opponent's mark has a global level of recognition as at the relevant date in relation to computers and closely related software, such as operating software for computers. The same could be said for computers used for storing and playing music, i.e. iPods. The applicant does not accept that there is evidence to support a reputation or goodwill in other goods or services.”

Consequently, the evidence of Mr La Perle will be considered on the basis of what is not conceded. The term computers will, in normal use, include keyboards, monitors and mice and the concession of Mr Norris is taken as including these products. If it were not, there is ample evidence of use of APPLE in relation to such products. The evidence of Mr La Perle also has to be considered in relation to the material dates and the jurisdiction. Mr La Perle makes reference to various AI trade marks, his statement does not deal solely with use of APPLE, which is the issue under consideration here. His statement often lacks jurisdictional particularisation.

24) In May 1984, AI's manufacturing facility in Cork began producing “custom-language” Macintosh computers for the United Kingdom, Germany and Ireland. In 1986 Apple Centre dealerships opened “throughout” the United Kingdom. In 1987 AI introduced new desktop communications products including AppleShare file server software and AppleTalk PC card; there is no indication as to the jurisdiction(s) in which this took place.

25) Screenshots from AI's United Kingdom website are exhibited at TLP-5. There is no date upon them and so they do not assist in the issues involved in this case. On page 5 there is reference to an event in 2009 and on page 7 reference to third party downloads with dates from July 2009. Consequently, this evidence is considered to emanate from well after the material dates.

26) On 9 January 2001, AI introduced its iTunes software, music software that allows users to create and manage their own music library on their computers. Mr La Perle does not identify where this introduction took place. AI's iTunes Store online music store was launched in 2003, again no indication is given as to

where. (The sales on a website may be limited by jurisdiction, especially if copyright is involved.)

27) Since June 1999, over 100 million copies of AI's QuickTime software, which offers streaming live and stored video and audio over the Internet. This software has been distributed to Macintosh and Windows users worldwide, including the United Kingdom. Mr La Perle states that "[a]ll or some of the APPLE Trademarks are prominently displayed to users as they interact with the Quicktime software". Again he gives no indication as to the jurisdictions in which the services have been supplied.

28) Mr La Perle states that AI introduced the iPhone mobile phone in January 2007, he does not state in what jurisdictions. Again Mr La Perle uses unhelpful wording: "[t]he iPhone mobile phone displays all or some of the APPLE trade marks". Two reproductions of an iPhone are included in the statement. Owing to the quality of the reproduction the only trade mark that can be discerned is the device of an apple. Pictures of the iPhone are reproduced. This telephone was introduced, in the United Kingdom on 9 November 2007 (and the United States of America on 30 June 2007). Mr La Perle states that over 13 million iPhone devices were sold in the first two years of production. There is no indication as to dates and jurisdictions.

29) Mr La Perle states that in January 2007 AI announced the availability of its new AppleTV media player device, which offers users the capability to play iTunes media content through a television or home entertainment system. Media content can be transmitted to the AppleTV media player via AI's Airport wireless networking equipment. A picture of the AppleTV device is shown, it bears an apple device followed by the letters TV. There is no indication as to the introduction of the product by reference to jurisdiction. Mr La Perle refers to the introduction of the iPod Touch in September 2007; again there is no indication as to the jurisdiction(s) where the introduction took place.

30) On 15 June 2004 AI launched its iTunes Music Store in the United Kingdom, France and Germany. By July 2004 over 1.5 million songs had been sold in the United Kingdom, France and Germany. On 10 May 2005, the iTunes music store was launched in Denmark and Sweden. On 10 January 2006, AI announced that users of the iTunes Store had purchased more than 850 million songs and that the iTunes store had an 83% share of the worldwide online music market. On 9 January 2007 AI announced that more than 2 billion songs, 50 million television episodes and over 1.3 million feature-length films had been purchased and downloaded from the iTunes store. On the same day AI announced that cinematographic films from Paramount Pictures were to be offered for sale through the iTunes Stores, which featured the world's largest online catalogue with over 4 million songs, 250 feature films, 350 television shows and over 100,000 podcasts. Cinematographic films downloaded from the iTunes store can be played on a user's computer, iPhone device, AppleTV media player or on any

iPod media player with video playback capability. No indication is given as to the accessibility of all of these products by reference to jurisdiction; any access could be limited by issues of national copyright.

31) Mr La Perle lists a number of iPod accessories that are available; iPod Socks (for protection of an iPod), in-ear headphones, a dock, a radio remote, an AV connection kit, iPod Tubes (for protection of an iPod), iPod Hi-Fi, an armband for carrying an iPod and a Nike iPod sport kit. No indication is given as to date, jurisdiction or the trade mark used in relation to these products.

32) Mr La Perle states:

“The following are some of the services which Apple has been and/or is currently offering worldwide, including the United Kingdom, which services are distinctively branded under its APPLE trade marks”.

There is no particularisation as to date of use, or jurisdiction or, always, the trade mark used. Mr La Perle states that Apple Professional Services branded software and services offer a wide range of Internet focused services in connection with its “APPLE Trade Marks”. He states that such services include: Internet consulting services, personalised e-mail addresses, specialised Internet greeting card services, personal home page creation and hosting, web space and storage, streaming live and stored video and audio services, virus protection, back-up software, Internet search engine services and Internet news collection services. Mr La Perle states that AI provides an integrated service and support service branded AppleCare Protection Plan, which includes telephone assistance, onsite repairs for desktop computers, global repair coverage for portable computers, web-based support resources and diagnostic tools. AI has provided information, education and training on the use of its products. AI’s retail stores offer one-to-one training sessions. There are free, hour long Apple Retail Store Workshops designed as group sessions to let customers extend their knowledge and improve their skills. AI also offers training to become an Apple certified desktop technician, technical coordinator, system administrator and digital media end user trainer. Mr La Perle states that AI provides consultancy services in the design and implementation of “technology solutions” for businesses and educational institutions.

33) Since 1983 AI has held an annual Apple Worldwide Developers Conference. Up to 5,000 software developers from up to 48 countries, including the United Kingdom, attend this event in California.

34) In November 2004 AI opened its first European Apple Store retail store, in London. Twenty further stores have been opened in the United Kingdom. The dates of the opening of the stores are not given.

35) AI's products are available in the United Kingdom through many retailers. The online Apple Store makes available all of AI's products. There are country specific online stores eg [apple.com/uk/](http://apple.com/uk/).

36) Mr La Perle states that AI has "vigorously sought protection for and enforced its rights in the APPLE Trademarks, especially the APPLE Logo and word mark, worldwide, including the United Kingdom". Exhibited at TLP-21 is a list of AI's trade marks. The goods and services in relation to which the trade marks are identified are shown. The list does not show actual use of the trade marks in relation to the goods and services. The list includes updates as of 17 January 2005.

37) Exhibited at TLP-22 are details of AI's APPLE word mark registrations in the United Kingdom, the European Union and international registrations designating the United Kingdom or the European Union. This lacks pertinence as it relates to many trade marks upon which AI does not rely in these proceedings.

38) Mr La Perle states the AI actively polices and enforces the APPLE trade marks. Two different companies have been employed by AI to watch the APPLE trade marks, especially the Apple logo and word mark. AI "will oppose or take any other appropriate action to ensure that the conflicting mark is not registered or removed from the registers. Over the last 20 years, Apple has, with the assistance of local counsel in the United Kingdom, instituted a vast number of oppositions in the United Kingdom."

39) Exhibited at TLP-23 are copies of advertisements for AI's products which have appeared in *macworld* magazine. Mr La Perle states that these have appeared internationally and in the United Kingdom. Pages 2 – 119 are outwith the material periods. All of the magazines appear to emanate from the United States or Canada (mainly the latter). Consequently, in relation to the issues in contention in these proceedings exhibit TLP-23 is of no assistance. Exhibited at TLP-24 are copies of AI advertisements from *Time* magazine. All of the examples appear to be from Canada and where dates can be seen they are outwith the material dates. Consequently, again, in relation to the matters in contention in these proceedings the exhibit is of no assistance. Exhibited at TLP-25 is a copy of an undated brochure from SquareGroup Limited advertising various AI products. SquareGroup has been an authorised AI distributor in the United Kingdom since 1994. The exhibit also contains a copy of a brochure for Cancom Limited, an authorised AI dealer in the United Kingdom. The brochure is for October/November 2003. The final part of the exhibit is a flyer for KRCS Apple Centres in the United Kingdom, undated.

40) Mr La Perle states that TLP-26 consists of examples of AI's print and outdoor advertising distributed in the United Kingdom. The quality of the copying is very poor and many details cannot be discerned. Page 11 of the exhibit shows various types of application software. Only the packages X, Pro Tools and

Studiomx can be discerned. There is no indication as from when this page emanates. Page 12 refers to AppleWorks software, there is no indication as to the date from which this page emanates. Page 18 refers to the introduction of the iMac 4 years previously. Mr La Perle has stated that the iMac was introduced in 1998, although he does not say in which jurisdiction. Consequently, pages 18 and 19 will emanate from 2002 at the earliest. On page 19 the following appears:

“Apple’s award-winning suite of software for digital photography, movies and music.”

Page 20 makes reference to “iTunes, Apple’s hot new music software”. Consequently, it can be inferred that the advertisement emanated from soon after the introduction of iTunes, which Mr La Perle identifies as being 9 January 2001 (although, not by jurisdiction). Consequently, the advertisement could well have emanated from well before the beginnings of the material periods for proof of use. The advertisement refers to “iMovie, Apple’s easy-to-use digital video editing software” and “iTools, Apple’s suite of Internet services designed to take advantage of everything the Web has to offer, including a free Mac.com e-mail address, a place to store and share your files, and the tools to build your own web site”. There is no indication as to the date from which page 21 of the exhibit emanates.

41) AI’s United Kingdom website can be found at [store.apple.com/uk](http://store.apple.com/uk). Mr La Perle refers to the large number of unique visitors to the United Kingdom website; 10.5 million in 2004 and 2005, 11.9 million in 2006, 12.8 million in 2007, 16.2 million in 2008. As part of AI’s publicity for “the new Mac OS X Leopard software, Apple has created a special preview site at <http://apple.com/macosx/leopard/>”. Between 29 October 2006 and 6 November 2006 there were 241,699 United Kingdom originated visitors and 424,500 page views.

42) Mr La Perle states that since 1996 AI’s goods and services have been promoted and advertised in the Macworld online magazine which is published internationally as [macworld.com](http://macworld.com) and in the United Kingdom as [macworld.co.uk](http://macworld.co.uk). Exhibited at TLP-27 are copies of archived pages of the United Kingdom website. The pages exhibited emanate from 23 August 2005 and 6 December 2004. On the first page from 2005 there are references to APPLE’s new mouse, the replacement of the head of APPLE’s China office and APPLE legal targeting iPod kit sellers. In a menu of reviews of software there is no reference to APPLE. Included in the list of software is “Canvas X” (at page 3). The only reference to APPLE in the pages from 2004 is a questionnaire in relation to the APPLE Store in Regent Street. The trade mark clearly in use in relation to various software packages is Mac, eg Mac OS X 10.4 (Tiger) Server and Mac mini.

43) AI has entered alliances with various vehicle manufacturers for iPod integration and with Nike. Alliances have been entered with various airlines for iPod integration.

44) Exhibited at TLP-33 are copies of various press releases relating to the introduction of the iPhone in the United Kingdom. These show that the iPhone went on sale in the United Kingdom on 9 November 2007; so after all material periods and dates. In synopses of press articles exhibited at TLP-44, there are various references to the anticipated launch of the iPhone in the United Kingdom and the “frenzy” gripping America for the phone (*Daily Telegraph* of 29 June 2007, at page 10). The articles indicate that the iPhone was first available in the United States on 30 June 2007, which contradicts Mr La Perle’s statement that the iPhone was introduced in January 2007. Of course, Mr La Perle may use “introduced” to mean announced rather than made available.

45) Mr La Perle gives evidence on the brand valuation of AI. Owing to Mr Norris’ concession re for what AI has a reputation, it is not necessary to dig further into this; as the brand valuation does not identify any goods outwith Mr Norris’ concession.

***Witness statement of Anne Thomas of 9 June 2010***

46) Ms Thomas is chief operating officer of WN, and a shareholder in WN.

47) Ms Thomas states that WN is a business to business undertaking. She states that AI is a business to consumer undertaking. She states that WN is a specialist in its field and has no intention of associating itself with AI. Ms Thomas states that WN was in the mobile Internet sector long before the launch of the iPhone. Ms Thomas states that there has been no confusion between AI and WN. Ms Thomas states that WN assists businesses to market their products and services via mobile phones.

48) Ms Thomas states that she founded WN with Richard Holdsworth. The business started in 2002 and was named WAPPLE in December 2003 when the domain name <http://wapple.net> was purchased. She states that the name was derived from WAP, wireless application protocol; WN developed technology which uses WAP to enable content such as games to be delivered to mobile phones. “It was a quirky name which we came up with out of the word “WAP”. WN offered the service of building mobile websites for businesses using WAP to enable them to target mobile phone users. WN’s technology was licensed to others to enable them to deliver content to consumers or to build mobile websites for themselves or their customers. By 2005 WN has ceased all direct to consumer activity.

49) On 4 May 2004 WN was incorporated and on 14 July 2004 an application was made to register the trade mark (no 2368198):



The trade mark was registered on 7 January 2005 for:

*downloadable mobile phone content including logos, ring tones, Internet and wireless application protocol (WAP) games, pictures, wallpapers, animations and applications; all of the aforesaid being downloadable via the mobile phone wireless application protocol (WAP); mobile phone accessories;*

*wireless application protocol (WAP) search engine, portal and directory services;*

*non-downloadable games, pictures, chat room services; all made available via the mobile phone wireless application protocol (WAP);*

*development of a wireless application protocol (WAP) software engine; wireless application protocol (WAP) web-site hosting services.*

The above goods and services are in classes 9, 38, 41 and 42 respectively.

50) Ms Thomas states that WN has promoted the name WAPPLE extensively and that there has never been any complaint from AI or any confusion between WN's business and that of AI.

51) WAPPLE CONSOLE was launched in 2005 and then relaunched in 2007 as WAPPLE CANVAS; this is a design and publishing platform which allows website designers to build WAP websites by dragging and dropping elements of functionality, including logo graphics, external banner advertisements and downloadable content. WN's second technology offering is WAPPLE ARCHITECT; this is a development package that allows developers to take existing data, content and applications which have been designed for other media and deliver them in a format that can be accessed from a mobile device. The technology uses a programming language that is promoted under the trade mark Wapl, which stands for Wapple application programme language. WN also has WAPPLE EXHIBIT which is a profiler and delivery engine that enables content to be automatically optimised and displayed perfectly on any mobile device Internet browser. These technologies are licensed and are also offered as services to businesses. WN offers mobile website design and development services, support services to customers using its technology and assistance with mobile marketing campaigns. WN manages content for customers and maintains mobile websites for them. WN provides the design and platform for all of Skype's mobile web services. It is now responsible for managing all of Microsoft Advertising's client mobile campaigns globally. In 2006 MTV approached WN to build a mobile site in line with their 2006 European Music Awards; since then, WN has supported more than 50 MTV websites. WN designed the Red Nose Day 2009 mobile website.

52) Ms Thomas states that WN has always had a website at wapple.net to promote its services. She states that anyone searching for WAPPLE using



Google is sent straight to WN's website. Exhibited at AT2 are extracts from WN's website from 25 November 2005 onwards. These pages show use of WAPPLE in plain type and in stylised format (as per registration no 2368198 and application no 2442444).

53) Exhibited at pages 24 and 25 of AT2 is the first page of hits from a Google search, conducted on 14 May 2008, for Wapple. The hits all bring back wapple and all but one appear to relate to WN, the exception relates to the Wapple family home. Exhibited at pages 26 and 27 of AT2 is the first page of hits from a Google search, conducted on 15 May 2008, for www.wapple.net. The hits relate to WN. At the top of the page is an advertisement for AI's official United Kingdom store. Exhibited at pages 34 and 35 of AT2 is the first page of hits from a Google search, conducted on 27 November 2009, for wapple. The hits appear to relate to WN. A sponsored link brings up Wapple and links to very.co.uk. A further Google search for wapple, dated 1 June 2010 brings up hits that, all bar one, appear to relate to WN. The one exception is a hit from Urban Dictionary which reads:

"A common nickname for Apple computers used by whiny, spoonfed Mac fascists."

A further Google search for wapple conducted on 1 June 2010, at pages 38 and 39 of AT2, brings an advertisement at the top of the page for very.co.uk. There is a hit for the Facebook page of Morgan Wapple, the other hits appear to relate to WN. Yet another Google search from 1 June 2010, pages 40 and 41 of AT2, bring the very.co.uk advertisement, a recipe for roast pork and hits that appear to relate to WN. In relation to the search of 15 May 2008, Ms Thomas states that AI "had clearly bid via Google on the Wapple mark to sponsor a link to their site to ensure that anyone searching our name found their site".

54) WN's turnover has been as follows:

2004/2005	£78,121
2005/2006	£95,649
2006/2007	£193,994
2007/2008	£211,755
2008/2009	£249,117
2009/2010	£466,138

WN has spent £262,985 on advertising its technology and services under the trade marks Wapple.net, Wapple Canvas and Wapple since 2005.

55) Ms Thomas gives examples of WN's promotion of its services in the mobile industry and in web design, development and marketing publications. Ms Thomas again comments on what she perceives as the difference between WN and AI; the former aiming its services at businesses and the latter at consumers.

56) WN was a finalist or winner of industry awards in 2007, 2008 and 2009.

57) Ms Thomas states that WN's products are purchased by senior members of organisations and as the result of careful and educated decisions.

58) Ms Thomas goes on to make various submissions in relation to the grounds of opposition of AI.

59) Ms Thomas states that United Kingdom registration no 2368198 has existed alongside AI's registrations for 6 years without objection, confusion or complaint from AI or any member of the public.

60) Ms Thomas states that WN was well-known in the "relevant sector" long before AI designed a mobile phone. She states that WN's technology was cutting edge from the start and did not and does not need to be associated with anyone. She states that it would not assist WN to be confused or associated with AI in any way.

61) Ms Thomas gives a critique of the first witness statement of Mr La Perle.

***Witness statement of Julia Dimambro of 20 May 2010***

62) Ms Dimambro is managing director and owner of Cherry Media SL (Cherry) of Barcelona, "a leading specialist in the provision of glamour, erotic and adult entertainment for the mobile industry".

63) Ms Dimambro states that in 2004 she signed up to the WAPPLE technology platform in order to launch a more dynamic version of Cherry's direct to customer services. Cherry still works with the WAPPLE platform via a collaboration with Katina Leisure.

64) Ms Dimambro states that she has never confused the AI brand with WN. She states that WN is a longstanding, established and highly respected brand in the mobile entertainment sector. Ms Dimambro states that she has never come across anyone who has confused WN with AI since 2003.

***Witness statement of Peter Shaw of 7 June 2010***

65) Mr Shaw is managing director of Generiq Limited, a mobile marketing company. Towards the end of 2003 he wanted to build a mobile Internet site for a client using WAP. He contacted Mr Holdsworth of WN. He states that the purchase of the technology was very considered. It did not occur to him that there was any connection between WN and AI. He states that it is obvious from the WN website and the way WAPPLE is marketed that it has nothing to do with AI.

66) Mr Shaw has had a continuing relationship with WN since 2003. He states that WN is well-known in the mobile website technology industry and has a very good reputation.

***Witness statement of Steven Shields of 7 June 2010***

67) Mr Shields is managing director and owner of Katina Leisure Limited “whose business concerns the creation, management and maintenance of a range of content rich mobile services”. In 2005 he was referred to WN, he never thought WN was AI or anyway connected to AI. He states that at the time AI were not involved with WAP or mobile services technology. Mr Shields states that he decided to try WN’s WAP technology. The decision was a very careful and considered one. Mr Shields still uses the WN technology under licence to create websites showing photographs, pictures, videos, logos and text that can be viewed on mobile phones. Mr Shields states that AI has no presence in the industry in which WN operates.

***Witness Statement of Nick James of 23 May 2010***

68) Mr James is a non-executive director of WN. Mr James invested in WN in 2006. Prior to his investment it did not occur to him that WN had anything to do with AI. He did not consider that WN was “trying to leverage off their [AI’s] reputation”.

***Witness statement of John Leftwich of 28 May 2010***

69) Mr Leftwich is non-executive chairman of WN and a shareholder in the company. Mr Leftwich was director of marketing for Apple Computer Inc in the United Kingdom from 1988 to 1991. He states that he has never considered that there was any relationship between AI and WN or that there was any potential conflict in the brands.

***Witness statement of Thomas R La Perle of 3 February 2011***

70) On 23 December 2006 there were 7 APPLE stores in the United Kingdom, in: Birmingham, Kent, London (2), Manchester (2) and Sheffield. By 27 June 2007 there were a further 2 stores, in Kingston and Southampton.

71) Mr La Perle states that on the back of each iPod player the words “Designed by Apple in California” appear.

72) Mr La Perle states that the announcement of the launch of the iPhone was made in January 2007 and that this generated a considerable amount of publicity in the United Kingdom. The iPhone was launched in the United Kingdom on 9 November 2007. He states that there had been rumours about AI’s engagement in the mobile phone sector since 2002. Mr La Perle states that these rumours

“fuelled a media frenzy that followed the development of the iPhone device in 2005 and 2006, intensifying until the release of the iPhone in 2007”. Exhibit 3 consists of material speculating about whether AI will produce a mobile phone. Articles from *The Guardian* and BBC News, from January 2007, refer to speculation that the iPhone will be announced at Macworld in 2007. (The article from *The Guardian* also speculates that AI will **not** produce a tablet computer.) Mr La Perle states that the “media reported that the demand for the iPhone device was so great that there was an overwhelming number of pre-launch orders” and “in addition a grey market had formed as consumers refused to wait for the official release”. Exhibit 4 includes an article from *The Telegraph* of 19 June 2007. The article states that a survey by M:Metrics shows:

“An estimated seven million Britons are also keen to buy an iPhone when it comes to the UK market later this year, the same report said, although no date has been set.”

A copy of the press release from M:Metrics, dated 15 June 2007, is included in the exhibit. In this release it states that 56% of British mobile phone users were aware of the iPhone.

73) Mr La Perle states that AI states that the business market is a major part of its customer base. He refers to what AI defines as its business strategy and to the annual reports of AI for 2000, 2005, 2006 and 2007, excerpts from which are found at exhibit 8. The annual reports deal with the business of AI in relation to products under various trade marks; including application software, including:

Final Cut and iMovie— digital video authoring/editing software.

Appleworks – incorporating word processing, spreadsheet, database, drawing, painting and presentation.

FileMaker – database management.

QuickTime – multimedia software.

WebObjects - web application server software.

iTools – gatekeeper, e-mail, storage, personal website.

Soundtrack – audio editing and sound design.

Motion 2 – real time motion graphics software.

DVD Studio Pro – DVD authoring.

Shake 4 – compositing software.

Logic Pro 7 – music production and film scoring.

Aperture – professional photography.

iPhoto – consumer digital photography.

iMovie – consumer digital editing.

Safari – web browser.

74) Exhibit 14 contains printouts from archived web pages relating to software volume licensing programmes on AI’s United Kingdom website. At pages 2 – 4 there are printouts from 9 July 2006 which are headed “Apple Volume Licensing

Programmes". Software identified consists of Aperture, AppleWorks, Final Cut Express HD, Final Cut Studio, GarageBand Jam Packs, iLife '06, iWork '06, Logic Express, Logic Pro, Mac OS X, Mac OS X Server, Quicktime Pro, Shake and Xsan. The following appears in the text:

"Apple's professional video and audio products have a low entry level tier of only 5 licences, this tier covers the purchase of Final Cut Studio, Aperture and Logic Pro."

Pages 5–6 from 26 July 2006 relate to the Apple Maintenance Programme which "enables businesses, schools and universities to subscribe to software upgrades". Pages 6-7, from 5 July 2006, relate to Aperture software for professional photographers. Other pages from July 2006 refer to AppleWorks 6, Final Cut Express HD, Final Cut Studio, GarageBand 3, iLife, iPhoto, iDVD, iWeb, iTunes, Logic Express 7, Logic Pro, Mac OS X, Mac OS X Server, Shake and Xsan.

75) Mr La Perle states that AI has run a programme to encourage third parties to develop programmes for its Macintosh computers and other software. At the filing dates, Mr La Perle states, AI was offering a number of bespoke AppleCare plans for professionals and businesses.

76) The AI website features business and pro sections. Mr La Perle states that in 2006 the main sectors targeted by AI in the United Kingdom business pages were accountancy, architecture, medical imaging and IT. Material from the website from 2006 is shown at exhibit 20. The pages for accountancy has hyperlinks for software from third parties. The Pro pages target photographers, singers, sound artists, architects, graphic designers and film producers. The United Kingdom website features business profiles of companies who use AI products. Exhibit 24 contains pages from July 2006 showing profiles of these businesses.

77) Mr La Perle comments upon what WN actually does and draws parallels with what AI does. However, the issues in these proceedings must be judged on the basis of the specifications of the applications.

78) Mr La Perle states that AI would be greatly concerned to be associated with a company which provides pornographic content. He states that AI has made "conscious efforts to distance itself from the adult industry in its position with apps for the iPod touch, iPhone and iPad device". Articles in relation to this are found at exhibit 33. Mr La Perle states that a number of mobile websites using WN's products feature the notice "Powered by Wapple". He states that if any of the pornographic websites produced using WN's products bear the same notice, giving rise to an association with AI, AI will receive complaints and its brand will suffer.

***Witness statement of John R Olsen of 4 February 2011***

79) Mr Olsen is a partner of the legal representatives of AI.

80) At exhibit 1 of the witness statement are instructions to the market research company, GfK NOP Consumer Services (GfK), the survey questions and the results of the survey. Mr Olsen states that over the previous four years GfK has been one of the top five largest market research and consumer insight agencies in the United Kingdom. He states that GfK conducts the Consumer Confidence Barometer, a survey carried out on a monthly basis for the European Commission in order to monitor the general public's confidence in the British economy. Background information on GfK is exhibited at exhibit 2.

81) At exhibit 3 is a printout of an archived page from WN's website dated 15 June 2004 and a leaflet advertising a 2006 conference on Mobile Content Management and Distribution. The webpage is headed "Underneath The Wapple Tree". WN was an associate sponsor of the conference. In a brief introduction to WN Wapple.net appears in the same stylised form as shown in application no 2442447. Instead of the device of the sun, a device of a stylised tree appears above the first letter p. Mr Olsen describes the stylised tree device as being that of an apple tree.

***The survey***

82) Pages 9 to 26 of exhibit 1 consist of correspondence between AI's representatives and GfK re the commissioning of a survey. AI requests a survey, at the cost of £4,500 ex VAT, in which 100 people are interviewed. The survey, it states, should be conducted amongst the general public. AI requires a full cross-section of Great Britain. AI includes guidelines on surveys that were published by the Intellectual Property Office (IPO). There is nothing in the correspondence between AI and GfK in relation to the statistical validity and robustness of the survey; the population of which has been chosen by AI.

83) A copy of the actual instructions to the interviewers is not exhibited. No witness statements from the interviewers or interviewees are exhibited.

84) Persons not resident in Great Britain were excluded from the survey following the first question, which asks their residence. Certain groups of persons were also excluded from the survey. The reason for this is not explained. Persons were excluded from the survey if they worked in particular fields or had close friends or family working in those fields. From the survey forms it is not completely clear which groups were excluded but it appears to relate to advertising, public relations, television or radio broadcasting, publishing or journalism, market research and lawyers. Interviewees are also asked if they or their close friends or family work in the manufacture or sales of cosmetics or the

manufacture or sale of cars; these interviewees are not excluded. There is no explanation as to the relevance of this identification.

85) The surveys were conducted between 8 and 10 November 2010 in Liverpool, Balham, Birmingham and Caldicot. No explanation is given as to the choice of these locations and as to how and why they have statistical validity for the United Kingdom as a whole.

86) The interviewee was to be shown an A4 sheet upon which the word WAPPLE was written. They were then asked various questions:

“Please look at this, how would you pronounce this word? **DO NOT PROBE**

Short ‘A’ – as in the fruit ‘APPLE’

Longer ‘A’ as in the word ‘WAND’

Other – SPECIFY

What, if anything, do you think of when you see this word? **DO NOT PROBE**

And what, if any, is the first company that comes to mind when you see this word? **DO NOT PROBE**

Do any other companies come to mind? **PROBE, IF NECESSARY:** Which ones?

What would your reaction be if I told you that this word has nothing to do with Apple Inc, the American corporation that designs and markets consumer electronics such as the iPod, iPad, iPhone etc., computer software and personal computers such as the MAC series of computers?”

87) The final question is indicative of the problem with the timing of the survey. Since the filing of the applications the iPhone and the iPad had come on to the market. Consequently, the perception of the public had changed greatly since the dates of application. Mr Engelman attempted to extrapolate from the results of the survey to the United Kingdom as a whole. This is based on a survey conducted after matters had changed significantly. It also assumes that the population for the survey is statistically valid and that a simple extrapolation can be made. The problems with surveys in trade mark cases are legion and well-known. If Mr Engelman wished to extrapolate from the survey it would be necessary to do this on a firm statistical foundation; which would require a statistician to comment on the strength, validity and relevance of the survey. All that the survey does is show that at points in time well after the dates of application, 107 persons gave certain answers in certain locations. The choice of excluded groups, the choice of population size, the choice of location are not explained. Neither interviewees nor interviewers have given witness statements. (It is common practice for written instructions to the interviewers to be adduced

and for the interviewers to complete witness statements in relation to their conduct of the survey.)

88) The answers to the pronunciation question are not surprising. 46 persons pronounced the word with a short a, as in apple, and 61 persons with a longer a, as in wand. Owing to the nature of regional English this did not require a survey to establish the potential pronunciations, just as some say bath with a long a and some say bath with a short a.

89) In relation to the survey Mr Engelman prayed in aid the judgment of Mann J in *A & E Television Networks LLC v Discovery Communications Europe Ltd* [2011] FSR 31. Mr Engelman described this judgment as a distinct about face in relation to surveys. It is not possible to see how this is the case. Mann J considers the case law in relation to surveys, he makes detailed reference to the judgment of the Court of Appeal in *esure Insurance Limited v Direct Line Insurance Plc* [2008] EWCA Civ 842 and its comments upon the problems with surveys. Mann J was considering, as the Court of Appeal had approved, the conduct of a survey. There is no volte face in the judgment at all; it is in harmony with the earlier judgments in relation to surveys. AI did not seek the permission or guidance of the registrar in relation to the survey, in order to put itself in conformity with *esure Insurance Limited v Direct Line Insurance Plc* (and *A & E Television Networks LLC v Discovery Communications Europe Ltd*.) The purpose of the survey in *A & E Television Networks LLC v Discovery Communications Europe Ltd* was, paragraph 31, “a witness collection or identification exercise”. Consequently, having a very different purpose to that of AI.

90) The question “[w]hat, if anything, do you think of when you see this word?” invites the interviewee to speculate, it suggests that she or he should think of something other than just accepting the word. Speculative questions will of their nature have a response bias (as a form of cognitive bias). GfK in its analysis states:

“The most common answer among those giving a positive response related to the word apple. However, for many of these responses it was unclear whether they referred to the company or the fruit and we have placed these in a third ‘unspecified’ category. Apart for this the most common answer was waffle/waffles.”

GfK considered that 8 responses clearly related to Apple Inc.

91) The question “[a]nd what, if any, is the first company that comes to mind when you see this word?” clearly again leads to an artificially induced speculation which may be the victim of response bias. The final question is leading and loaded in the extreme. GfK itself comments:



“However, four of these people had not previously indicated that they associated the word with Apple so it is probably safe to say that their answer was led by the question itself.”

92) The failings in the survey mean that its results cannot be extrapolated to a view of the perceptions of the public as of the dates of the applications. All it does is confirm the obvious, that WAPPLE can be pronounced in two ways. The survey is of no assistance in reaching a decision in these proceedings.

***Witness statement of Nick Wood of 4 February 2011***

93) Mr Wood is the managing director of Com Laude, a company that registers, maintains and renews domain names around the word for “leading corporations and the law firms that work with them”. Mr Wood is also the managing director of Valideus Ltd, a consultancy which works with top level domain operators on strategy and rights protection management. Mr Wood goes on to give a background to his expertise in relation to domain names.

94) Mr Wood comments upon the widespread use of mobile phones to access the Internet. At exhibit 1 is an article from October 2010 in relation to mobile phone usage and access to the Internet from mobile phones. He states that of 59 million United Kingdom mobile phone users, 16 million have access to 3G mobile web. In relation to these figures he exhibits at exhibit 2 an article which was last updated on 12 February 2010.

95) Mr Wood comments on the popularity of the iPhone; which was not available in the United Kingdom at the times of the filings of the applications. He also considers the level of smartphone ownership in the United Kingdom as of May 2010, which he states showed an increase of 81% from the previous year. Consequently, this does not reflect the position as of the dates of the applications. A graph shows that in the fourth quarter of 2007 there were 4.8 million smartphone users. Again, this does not deal with the position at the dates of application. Mr Wood goes on to give further evidence re smartphone usage from well after the dates of application. This failure in the lack of connection with the dates of application is compounded by Mr Wood’s evidence of the exponential growth in the market well after the dates of application.

96) Mr Wood refers to the number of United Kingdom smartphone users who, in 2010, use their phones to access the Internet; evidence relating to a period well after the dates of application. Again and again, Mr Wood gives evidence of the position in relation to smartphone use from well after the dates of application. He even refers to the “rate of growth since 2007” ie from after the dates of application.

97) Mr Wood states that “a simple search for ‘WAPPLE’ in Google” results in sponsored advertisements directing the user to AI products on external websites.

Mr Wood states that these advertisements appear because APPLE resellers have paid a fee to Google to use WAPPLE as an adword. There is no substantiation to this claim and no identification of the issues by reference to date. Again Mr Wood's evidence is not aimed at the dates of application. He opines that "resellers have purchased this AdWord because they believe that a significant number of people will accidentally type "WAPPLE" instead of "APPLE". Mr Wood states that this typographical error is highly likely as W and A appear next to each other on a QWERTY keyboard. A QWERTY keyboard is so called because of the position of the first letters, clearly W and A do not appear next to each other. Mr Wood states that suggestions that arise from the autofill feature when WAPPLE is typed refer to AI. Mr Wood does not give any details as to how the algorithm for the autofill facility operates. Mr Wood states that a search for "W APPLE" and/or "W Apple" provides search results in relation to AI's and WN's websites. Mr Wood also conducted an Internet search for WAPPLE using the Bing search engine. He states that WAPPLE brings up www.apple.com as the second hit.

98) Mr Wood states that conducting a search for WAPPLE on Wikipedia brings the question "Did you mean **apple**". Again this search was conducted well after the dates of application. As WAPPLE is an invented word, it can be expected that a search engine would offer an alternative. Mr Wood refers to other Internet reference sites that ask the same question.

99) Mr Wood finishes with giving his view on the likelihood of confusion and the effects of registering the trade marks on the reputation of AI. So, Mr Wood is attempting to supplant the rôle of the decision maker (see *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at 290-291 as referred to above by Arden LJ in *esure Insurance Limited v Direct Line Insurance Plc*).

100) Mr Wood's evidence does not relate to the dates of application, it does not even make an attempt to do so. Outwith this, it relates to the effects of terms using search tools and not confusion of the average consumer. In relation to this use of the keyboard, it is also to be noted that the touch typist (who is, of course, not the average consumer) uses different fingers for the letter w and the letter a. Mr Wood's evidence tries to conflate potential error with confusion, they are not one and the same thing. The evidence of Mr Wood has no influence upon the decision.

***Witness statement of John Harris of 28 January 2011***

101) Mr Harris is a member of the Department of Phonetics and Linguistics of University College, London. Mr Harris was asked to carry out a comparison of the terms APPLE and WAPPLE "in order to establish whether they are confusingly similar from a visual, conceptual, lexical and phonetic viewpoint". This comparison per se is of limited value as only one of the trade marks is WAPPLE on its own and trade marks must be considered in their entirety.

102) Mr Harris states that WAPPLE could be pronounced to rhyme with apple or topple. He gives his opinion that the former is “much more likely”. This opinion is clearly not supported by the evidence of the survey; which shows the majority of persons pronounced the word in the latter form. Mr Harris states that visually the words only differ by the presence of the letter W so they have “a high degree of visual similarity”. The degree of visual similarity is to be accessed by the decision maker, by looking at the words.

103) Mr Harris is of the opinion that “an average adult” will immediately associate APPLE with WAPPLE. He gives no experimental data to this effect. It is also an opinion that is contradicted by the survey; which, when asked to actively speculate, the majority of interviewees did not think of apple. In the normal course of events the average consumer will not be speculating about an invented word which is a trade mark. For the conceptual meaning of a trade mark to have significance it must have “a clear and specific meaning so that the public is capable of grasping it immediately”<sup>ii</sup>.

104) Mr Harris states that only a relatively small number of individuals are familiar with the word WAP; the acronym for wireless application protocol. He gives no basis for this opinion. A large part of the specifications of the applications relates to WAP applications. It is difficult to understand how someone purchasing WAP enabled goods or WAP services would not be aware of the word and its significance.

105) Mr Harris goes on to give an acoustic analysis of the pronunciation of APPLE and WAPPLE pronounced in the two manners.

106) Mr Harris comments upon the use of the letter w in other European languages. This has no relevance to the issues in this case which relate to the average consumer in the United Kingdom.

107) Mr Harris makes statements that are contradicted by the limited empirical evidence of the survey ie the propensity for the manner of pronunciation and the conceptual association of the word WAPPLE. The survey may be fatally flawed as a statistical exercise but it does contain empirical data. Most of his statement is unsupported by empirical evidence. In relation to the significance of WAP, his statement does not take into account the goods and services of the application. Mr Harris’s statement is not of assistance in this decision.

***Witness statement of Matthew Zook of 25 January 2011***

108) Mr Zook is an expert in the use and diffusion of the Internet and the domain name system. Mr Zook states that a great number of private individuals hold domain name registrations. He gives figures for the ownership of .uk domain names by private individuals as follows:

April 2005 35%, November 2005 41.8%, August 2006 18.2%, February 2007 26.1%, September 2007 27.2%, September 2008 28.8% and September 2009 26.5%.

From August 2006 figures for sole trader registrants are given:

August 2006 27.9%, February 2007 18.7%, September 2007 21%, September 2008 27.4% and September 2009 25.5%.

Mr Zook states that in 2009 26.5% of registrants of .uk domain registrations were private individuals.

109) Mr Zook states that the vast majority of all purchased domains (including those held by private individuals) are used to host websites accessible to anyone with Internet access. He states that owing to the wide availability of free and easy to use web authoring tools, many private individuals design the websites hosted on these domains themselves. He states that the vast majority of domain names held by private individuals host websites that are available to individual consumers who can access them via mobile phone devices. Mr Zook states that research that he conducted in 2008 on a random sample of 14,000 com, net, biz and info domains located in the United Kingdom showed that over 90% of these domains had functional websites.

### ***Proof of use***

110) The proof of use period for AI's registrations in relation to application nos 2442444 and 2442447 is 15 September 2002 to 14 September 2007. The proof of use period for AI's registrations in relation to application no 2456905 is 27 October 2002 to 26 October 2007.

111) The Court of Justice of the European Union (CJEU) in *Ajax Brandbeveiliging BV v Ansul BV* Case C-40/01 stated :

“36. “Genuine use” must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

37. It follows that genuine use of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its

commercial *raison d'être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.

38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.

39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or service at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market.”

112) One of the trade marks that is subject to proof of use is a Community registration. The decision of The Fourth Board of Appeal of the Office for Harmonization in the Internal Market in *ILG Ltd v Crunch Fitness International Inc* [2008] ETMR 17 is noted:

“11 The relevant period is October 1998 to October 2003. Use in one country of the Community, such as Italy, is sufficient (Joint Statements by the Council and the Commission entered in the Minutes of the Council meeting at which the CTMR was adopted, No.B.10, OH OHIM 1996, 607, 613), provided that is it [ *sic.* ] genuine.”

In *PAGO International GmbH v Tirol Milch registrierte Genossenschaft mbH* Case C-302/07 the CJEU considered the requirements for establishing a reputation in respect of a Community trade mark:

“30 The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the Community, and that, in view of the facts of the main

proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.”

It would be anomalous if reputation in one member state may be enough to satisfy the requirement of Article 9(1)(c) but use in one member state(s) could not satisfy the use requirement. The evidence, where aimed at a jurisdiction in the European Union, relates to the United Kingdom. The use is not limited to a geographical area in the United Kingdom, it is use of a persistent and significant manner. AI has not broken down use in the United Kingdom in terms of turnover and promotional expenditure. The annual reports do not breakdown sales by reference to either categories of products or particular products and jurisdiction. However, where the evidence is given, which is relevant by date and jurisdiction, there is nothing to suggest that the use is token in order to maintain a market.

113) It is necessary to decide upon a fair description of goods and services for which genuine use has been shown and which fall within the parameters of the specification. The description must not be over pernickety<sup>iii</sup>. It is necessary to consider how the relevant public, would describe the goods and services<sup>iv</sup>. The GC in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03* held:

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or

services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

114) In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10 Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

"However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed in a number of previous decisions. In the present state of the law, 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."

115) In *Galileo International Technology, LLC v European Union (formerly European Community)* [2011] EWHC 35 (Ch) Floyd J stated:

"39. The unrestricted specification is of enormously wide scope. The Hearing Officer wisely reminded himself of what Laddie J had said about wide specifications for computer software in *Mercury Communications Ltd v Mercury Interactive (UK) Ltd* [1995] FSR 850. Laddie J considered that:

"... there is a strong argument that a registration of a mark simply for "computer software " will normally be too wide. In my view the defining characteristic of a piece of computer software is not the medium on which it is recorded, nor the fact that it controls the computer, nor the trade channels through which it passes but the function it performs. A piece of software which enables a computer to behave like a flight simulator is an entirely different product to

software which, say, enables a computer to optically character read text or design a chemical factory. In my view it is thoroughly undesirable that a trader who is interested in one limited area of computer software should, by registration, obtain a statutory monopoly of indefinite duration covering all types of software, including those which are far removed from his own area of trading interest. If he does he runs the risk of his registration being attacked on the ground of non-use and being forced to amend down the specification of goods. I should make it clear that this criticism applies to other wide specifications of goods obtained under the 1938 Act. I understand that similar wide specifications of goods may not be possible under the 1994 Act."

40. That was a case decided under the Trade Marks Act 1938, but, like Laddie J, I see no reason why the views there stated should not apply under the Act. "

116) Mr Engelman furnished, with his skeleton argument, a schedule relating to the use that AI has shown of its trade mark. The schedule is reproduced below with an additional column in which a comment is made on the example.

Claim to show use.	Reference in evidence.	Hearing officer's comment.
<p><b>computer programs and computer software software and firmware (firmware is defined as a combination of software and hardware, computer chips which have data or programs recorded upon them, e.g. ROMs, PROMs, EPROMs)</b></p>	<p>web-creation software; TLP/II/36(e);</p> <p>VisiCalc spread sheet programs;</p> <p>Professional Application Software to the business market; iLife with iWeb. iWeb designed to help build websites quickly using Apple-designed templates, TLP/II/36(d). iLife was specifically marketed to business customers as included within the Software Volume Licensing Programmes, see TLP/II/36(f).</p> <p>NWWSI/T92/pg14, paras28, 30; NWWSI/E3/T95/pg 3; extracts from the US SEC Annual Report, pgs3, and numerous throughout that document. sSee</p> <p>"Beginning in the third quarter of 2010 in conjunction with the announcement of iOS 4, the Company's ESPs for the embedded software upgrade rights included with iPhone, iPad and iPod touch reflect the positive financial impact expected by the Company as a result of its introduction of a mobile advertising platform for these devices and the expectation of customers regarding software that includes or supports an advertising component. iOS 4 supports iAd, the Company's new mobile advertising platform, which enables applications on iPhone, iPad and iPod touch to feature media-rich advertisements within</p>	<p>The reference is to finance and leasing options for business.</p> <p>Para 34 refers to VisiCalc – it is neither specific by date nor jurisdiction.</p> <p>iWeb introduced January 2006 to build websites. In 2006 iLife won an award for best software.</p> <p>After all material dates.</p> <p>After all material dates.</p>



	<p>applications.”</p> <p>NWWS1/E3/T95/pg 35 Software, service and other sales 2010 \$2,573,000,000, which includes sales of Apple-branded operating system and application software, third-party software, Mac and Internet services.</p> <p>NWws1/E3/T92/pg 52, para1 “Apple Inc...de signs, manufactures, and markets ...mobile communication and media devices, and portable digital music players, and sells a variety of related software and third-parry digital content and applications. The Company sells its products worldwide through its retail stores, online stores, and direct sales force, and third-party cellular network carriers, wholesalers, resellers and value-added resellers. In addition, the Company sells a variety of third-party Macintosh ("Mac"), iPhone, iPad and iPod compatible products including application softwaqe, printers, storage devices, speakers, headphones, and various other accessories and supplies through its online and retail stores. The Company sells to consumer, small and mid-sized business, education, enterprise, government and creative customers.”</p> <p>Total amortization related to capitalized software development costs was \$48 million, \$25 million and \$27 million in 2010, 2009 and 2008, respectively. NWWS1/E3/T92/pg 56, para2</p> <p>TLPWSI/T3/para2; pg7,para 6.10 “classroom software; para 7.4 “10,000 Apple software programs; para 7.5 “By November 1983, the AppleWorks system software was introduced and soon became the world's best-selling software of the time.”; AppleShare file server software, TLWSI, para 7.9; 9.1; 10.1, 10.21(f); 10.22: 1997 as Apple's "Mac OS"; Mac OS 7.6 Installation Manual from 1997 ... distributed with the Mac OS 7.6 software.. prominently references the Apple Logo .. distributed with the corresponding numerous copies of the Mac OS 7.6 software sold to the English-speaking countries, including the United Kingdom. <b>and</b> Mac OS X version para 10.3 Panther software packaging Para 10.25 On January 9, 2001, Apple introduced its iTunes software. 1999, 10.26: over 100 million copies of Apple's popular QuickTime software; para 10.27 web space and storage; 10.51: iTunes software; para 11.5.3: Since 1983, Apple also holds annual Apple Worldwide Developers Conference. Up to 5,000 software developers from up to 48 countries, including the United Kingdom; para 12.5.ii. London Essex, Birmingham, and Manchester stores carry Apple software; 12.9i:UK on-line apple stores software, Exhibit 20; 15.11: UK visitors to Mac OS X Leopard between 20.10.06-06.11.06 were 203,699 at the .com and 38,000 at .co.uk; pg 47,para 18.2: (German) Federal Patent Court decision of September 27, 1999 trade mark enjoys a broadened scope of protection and refers to computer software based upon an enhanced distinctiveness to this extent.</p> <p>[TLP/I/T6/18] Wıth a .Mac membership, you get innovative software and services, including an ad-free email account, Web site creation tools, easy-to-use backup software and more.”</p> <p>TLPWSI/E13/T16 BBC News; "I was hoping for one, but I got a webcam, Airport Express, a Bluetooth adaptor, wireless mouse and keyboard, software and some other bits and pieces, I'm going to buy an iMac G5 soon so this will all be useful.”</p> <p>TLPWSI/E33/T36/pg2 Iphone software; Itunes software,</p> <p>TLPWSI/E37/T40/pg23. Para “ Strong technology brands include not only consumer facing brands such as Apple and Google, but also software, 82B and professional services brands The software</p>	<p>Reference to iPad and iPhone shows after all material dates.</p> <p>No relationship to specific products.</p> <p>Para 9.1 relates to iPod. Other than when identified this section does not identify use within the proof of use periods. 10.51 relates to iTunes, iPod and PowerMac G5 in 2003. 11.5.3 relates to Developers Conferences between 2005 and 2009. Mac OS X Leopard clearly identified by dates within proof of use periods.</p> <p>Web page from United Kingdom site downloaded on 17 January 2006.</p> <p>Relates to opening of first Apple store in London. Article from 5 May 2006.</p> <p>Press release from 18 September 2007. iPhone not available in the United Kingdom until 9 November 2007.</p> <p>No relation to specific products/services.</p> <p>Not specific by product or jurisdiction. Not specific of products or services.</p> <p>After all material dates.</p> <p>After all material dates. After all material dates. p 14 References to iPod and iTune in 2006 from United Kingdom publications. p 16 References to iPod and Apple Macs from 2005 in United Kingdom publications.</p>
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	<p>industry enjoyed a double-digit revenue growth</p> <p>TLPWS1/E39/T42/pg12,para 5 Apple's other offerings, which go beyond consumer goods to include servers, WiFi, and software, TLPWS1/E39/T42/pg43 What brand can you not live without? Why? Top Five Answers: Apple, None, Coca-Cola, Google, Starbucks; TLPWSI/ E41/T44/pg2 “Steve Jobs has always had a knack for weaving magic out of silicon and software.” TLPWSI/E44/T47/pg3; TLPWSI/E44/T47/p4; TLPWSI/E44/T47/pg14,16,23;</p> <p>TLPWSI/E48/T51/pg2/4/16; TLPWSII/E12/T65 “Apple ranked 41 of top 500 brands as of 2007/8 for Technology - Computer Hardware &amp; Software; TLPWSII/T53/[ara 12, 15, 17, 18, 20,21;</p> <p>TLPWSII/E14-20/ et seq. all concern Apple software. TLP 22/2; TLP/II/30/52, 55, 65, 66, 67, 68.</p> <p>SEC filing refers to software for digital photography, music, movies and music creation, iPod using a single software application, iTunes software, server software and related solutions; professional application software; and consumer, education and business oriented application ;n software Final Cut Pro@ Motion 2, an application that allows real-time motion graphics design; and DVD Studio Pro@ 4, DVD authoring software that bums DVDs Shake@ 4, an upgrade to the Company's compositing software, which began shipping in June 2005. e digital photo software application; Garage Band is a consumer-oriented music creation software; ;DVD@ is a consumer-oriented software application that enables users to tu;n iMovie files, QuickTime@ files, and digital pictures into DVDs; iTunes software. iTunes 6 allows users to purchase and download music videos, short films, and television shows from the iTunes Music Store; Keynote 2, an updated version of the Company's presentation software; safari; QuickTime@ capture audio and video, create multichannel audio, and-export multiple .files while playing back or editing video. Mac include homepage for personal websites, idisk for hard drive anywhere; Mac OS X Mail; Creative products for a. variety of activities including. digital video and film production and editing; digital compositing and titling; digital still photography and workflow management; graphic design, music creation and production; audio production and sound design; and web design, development, The Company offers a range of software products for education, creative, consumer, and business customers, including Mac OS X, the Company's proprietary operating system software for the Macintosh; server software and related solutions; professional application software;</p>	<p>p 23 All references from prior to proof of use periods.</p> <p>Para 12 prior to proof of use periods. Para 15 reference to iPhone –a product that was not available until 9 November 2007. Paras 17 relates to iPod. Paras 20 and 21 relates to mobile phones but first mobile phone was iPhone; so not pertinent to proof of use. Exhibits 14-20 dealt with in summary of evidence within parameters of concession at hearing. It is not known to what TLP 22/2 and TLP/II/30/52 etc refer. It is unclear if the reference is to paragraphs in the witness statement or exhibits.</p> <p>It is not understood to what reference is being made.</p> <p>The paragraph referred to relates to the brand status of AI as below.</p>
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	<p>and consumer, education, and business oriented application software.</p> <p>Consumer, Education, and Business Oriented Application Software iLife@ 06 iWork 06 In January 2006; Filemaker Pro to create databases TLPWSII/T53/pg 7, para 30</p> <p>"In the 2007-2008 Consumer Superbrands, Apple was ranked at number 4 out of 500 and was the second strongest Consumer Superbrand in the Technology - Computer Hardware &amp; Software category." See TLPWSII/T53/para 30</p>	
<b>telephone-based information retrieval systems;</b>	<p>In generality the mere introduction and use of the Iphone 4 involves this service as a matter of common knowledge, for example of the many applications is demonstrates one is a voice mail service.</p> <p>TLPWSI/E33/T36/pg2, para 2 iPhone combines three devlces into one: a mobile phone, a widescreen iPod, and the best mobile Internet device;</p> <p>TLPWSI/33/t36/p2,para 7: anywhere mobile data usage;</p> <p>TLPWSI/T3/para 5.2/p4 the iPhone communication device, 10.36 "The iPhone device is a mobile phone, a widescreen media player with touch controls and an Internet communications device with email and web browsing features."</p> <p>TLPWSI/ E12/T15/p17 internet tethering. "Treat you iPhone as a modem. A common feature with other phones, finally comes to the iPhone. Works wirelessly over Bluetooth or via a wired connection, and supporti both Mac unã pC. Interestingly AT&amp;T is not listed among the wireless carriers who will support tethering. "Rent or purchase movies from iTunes directly on your iphone".</p> <p>TLPWSI/E23/T26/p9 Apple Modem 300 auto dial, auto answer</p>	<p>iPhone, a product that was not available until 9 November 2007.</p> <p>iPhone, a product that was not available until 9 November 2007.</p> <p>iPhone, a product that was not available until 9 November 2007.</p> <p>iPhone, a product that was not available until 9 November 2007.</p> <p>iPhone, a product that was not available until 9 November 2007.</p> <p>Prior to proof of use periods and use in United States and Canada.</p>
<b>data recordings</b>	<p>In generality the mere introduction and use of the Iphone 4 involves this service as a matter of common knowledge, for example of the many applications is demonstrates one is a voice mail service which is a form of data recording.</p> <p>-"Find My iPhone" - a service via MobileMe helps you find your iPhone if it's lost. Includes a remote 'wipe,, command that will delete all the data. Plus ifyou do find it, you can quickly restore it with a connection to iTunes on your computer.</p> <p>TLPWSI/E23/T26/Pg13,para 2 Database management</p> <p>TLPWSI/E23/T26/pg 26, para 8 With an internal data fax modem you can even send your work directly to...</p> <p>TLPWSI/E33/T36/P2,para 7 Three new great value iphone tariffs will be available from 02 starting at É35, which all include unlimited anytime, anywhere mobile data usage</p> <p>Message pad software uploads data from the Mac PC</p>	<p>iPhone, a product that was not available until 9 November 2007.</p> <p>iPhone, a product that was not available until 9 November 2007.</p> <p>Outside jurisdiction and proof of use periods. Outside jurisdiction and proof of use periods.</p> <p>iPhone, a product that was not available until 9 November 2007.</p>
<b>computer and electronic games</b>	<p>In generality the mere introduction and use of the Iphone 4 involves this service as a matter of common knowledge, for example of the many applications it demonstrates is a number of computer and electronic games often created by third parties as App purchasable from the Apps stores, e.g. [ ]</p> <p>TLPWSI/T3/ para9.2 [TLP/I/T13/P3]</p>	<p>iPhone, a product that was not available until 9 November 2007.</p> <p>Not period specific. Article appears to emanate from the United States of America.</p>
<b>multimedia products comprising or for use with any of the aforesaid</b>	<p>In generality the mere introduction and use of the Iphone 4 involves this product as a matter of common knowledge, for example of the many applications it demonstrates is the capability</p>	<p>iPhone, a product that was not available until 9 November 2007.</p>

<p><b>goods;</b></p>	<p>to listen to music files, together with video files enhanced by access to itunes.</p> <p>TLPWSI/T3/P9, para8.5 In 1995, a Dataquest study confirmed that Apple was the Number 1 worldwide multimedia PC vendor. TLPWSI/E24/T27/pg 23&amp;25 &amp;29:] “Multimedia you can use..whether your loading a CD Rom or editing a home video, a Mac makes multimedia simple”</p> <p>TLPWSI/E24/T27/pg 33,35,39 “Macintosh proforma Which means it makes everything you want to do easy, like multimedia, working at home”;</p>	<p>Outside of proof of use periods.</p> <p>Outside of period of use periods and jurisdiction.</p> <p>Outside of period of use periods and jurisdiction.</p>
<p><b>interactive products comprising or for use with any of the aforesaid</b></p>	<p>In generality the mere introduction and use of the Iphone 4 involves this service as a matter of common knowledge, for example of the many applications it demonstrates is a number of massaging services (including email and texting services. Interactive in this sense includes interaction with the user of the iphone as well as interacting between the use of the iphone and other iphone users.</p> <p>TLPWSI/E12/T15/P21,para 6 Mathworks OS X “interactive environment for algorithm development”</p>	<p>iPhone, a product that was not available until 9 November 2007.</p> <p>A United States article from 28 June 2004. The reference relates to the product of MathWorks which was ported to AI operating software; it is not a product of AI.</p>
<p><b>Communication by computer, computer intercommunication; telecommunications services;</b></p>	<p>In generality the mere introduction and use of the Iphone 4 involves this service as a matter of common knowledge, for example of the many applications it demonstrates is a number of computer and electronic games, massaging services (including email and texting services. Communication between the iphone and other iphones, PC’s. Telecommunications means the transmission of information over significant distance to communicate. Apple offers under that brand name</p> <p>TLPWSI/T3/pg4, para5.2 the iPhone communication device;</p> <p>TLPWSI/E23/T26/pg26, para 7 Power book, Macintosh you can retrieve files without leaving your hotel room”;</p> <p>TLP23/32 : Over your network, the unique Apple inter-application communications architecture lets you easily take advantage of features like distributed processing, allowing programs like RenderPro and BackBurner to utilize excess CPU cycles on other Mac computers or work- stations for faster renderings. TLP Macintosh Exchange Its built in so now you can easily share documents with DOS and Windows users.</p> <p>TLPWSI/E23/T26/P141, para 2</p> <p>[TLP I/25/18] “Plus USB, FireWire, Ethernet ports to make connecting to digital cameras, camcorders, ipod, printers and DSL or cable modems a breeze”.</p> <p>[Facetime?]</p>	<p>iPhone, a product that was not available until 9 November 2007.</p> <p>iPhone, a product that was not available until 9 November 2007. Outside of period of use periods and jurisdiction. The reference is not properly identified.</p> <p>Prices (as per page 140) are in dollars. Cannot be identified as within jurisdiction. Magazine dated December 2005.</p> <p>The reference is not properly identified.</p>
<p><b>electronic transmission of data and documents via computer, delivery of data and messages by electronic transmission.</b></p>	<p>TLP/1/97; TLP/112 Now, virtually any document- from internal phone books to requisition forms to invoices - can be converted to electronic form and quickly updated</p>	<p>The reference is not properly identified.</p>
<p><b>instruction and entertainment in the field of computers, multimedia products, interactive products and online services,</b></p>	<p>“Apple Services for Developers” which allows access to Apple software programs, including, those for the iPhone.</p> <p>“Apple Care Professional Services” included “WebObjects Technical Support”, TLP/II/36(h)(iv)<sup>v</sup>.</p>	<p>The reference identified is to AppleCare technician training.</p>

	<p>WebObjects Technical Support</p> <p>TLPWSI/E6/T9/P6Mac Manual for Mac OS 7.7Follow the instructions in this chapter to install Mac OS 7.6;</p> <p>TLPWSI/E25/T28/pg4 Service for Business &amp; Education”; ]20, 21]</p> <p>“Let Apples setup assistant guide you”; Apple Premium Server Resellers are area available to help you determine the solutions best for your business [TLP/108]</p> <p>TLPWSII/T53/pg 9, para 36 (g) and (h) Consultancy and Support Services: Apple offers full technical support for the full range of its Apple products through a range of training courses and its AppleCare plans. As at the Filing Dates, Apple was offering a number of bespoke AppleCare plans for professionals and businesses (see print-outs of the archived web pages from the UK Website attached as Exhibit 16). Creative professionals could subscribe to a number of plans including:</p> <p>(i) AppleCare Helpdesk Support which covered an unlimited number of support incidents for software installation, launch and use;</p> <p>(ii) AppleCare Professional Video Support for users of Apple's Final Cut Studio software package;</p> <p>(iii) AppleCare Professional Audio Support for users of Apple's Logic software applications; and</p> <p>(iv) AppleCare Technician Training to become an Apple-certified technician.</p>	<p>The manual has a copyright year of 1997.</p> <p>There is no identification of the date.</p> <p>The reference is not properly identified.</p> <p>Exhibit 16, which relates to 36(h) emanates from 20 and 22 August 2006 and 28 November 2006 and is from the United Kingdom.</p>
<p><b>Consultancy, design, testing, research and advisory services, all relating to computing, data processing and computer programming; computer aided design and engineering services;</b></p>	<p>TLPWSI/T3/pg17/paraS 10.27,11.1,11.4 Internet consulting services, consultancy services in the design and implementation of technology solutions for businesses and educational institutions. [TLP/I/97; 108] ]TLPWSII/T53/pg11,para 36(g) and (h) Consultancy and Support Services:</p>	<p>No specificity of date or jurisdiction.</p> <p>The first reference is not properly identified. The second reference is dealt with in the evidence summary, where pertinent.</p>
<p><b>computer programming; computer systems analysis;</b></p>	<p>AppleCare Professional Services, which gives users access to a network of certified professionals to assist with the design, deployment and maintenance of tailored solutions; TLP/II/36(g) Apple Services for Developers which includes Code level support from Apple Engineers and pre-release versions of Mac OS X and Mac OS X Server including access to Apple software development tools; which involve computer programming and computer system analysis</p>	<p>Dealt with in the evidence summary, where pertinent.</p>
<p><b>research and development of computer hardware and of software; technological services relating to computers</b></p>	<p>TLPWSII/T53/pg 11,para 36(g) and (h) Apple Services for Developers</p> <p>Subscription to the ADC Monthly Mailing containing information, software, software development kits, technical documentation, tools, reference material;</p> <p>(v) Discounts on Apple Hardware through the ADC Hardware Purchase Programme;</p> <p>(vi) A chance to attend the Apple Worldwide Developers Conference, where Apple usually announces its major product releases, such as the iPod player and the iPhone device;</p> <p>(vii) Invitations to workshops and briefings on Apple technology;</p> <p>(viii) Access to programs, resources and services to help developers take their product to market;</p>	<p>Dealt with in the evidence summary, where pertinent.</p> <p>iPhone, a product that was not available until 9 November 2007.</p>



and electronic games, multimedia products comprising or for use with any class 9 goods; interactive products comprising of or for use with any class 9 goods.

Class 38: Communications by computer, computer intercommunications telecommunications services; electronic, transmission of data and documents via computer, delivery of data and messages by electronic transmission, receipt and delivery of digital music, video and other content by telecommunication and electronic transmission, providing wireless telecommunications via electronic communications networks.

Class 41: Instruction and entertainment in the field of computers, multimedia products, interactive products and online services.

Class 42: Consultancy, design, testing research and advisory services, all relating to computing, data processing and computer programming; computer aided design and engineering services; computer programming; computer systems and analysis, research and development of computer hardware and of software technological services relating to computers; computer consultation, design, testing, research and advisory services; research and development of computer hardware and software; computer services relating to multimedia and/or interactive products; provision of computer databases.”

("[R]eceipt and delivery of digital music, video and other content by telecommunication and electronic transmission, providing wireless telecommunications via electronic communications networks" does not appear in the specifications of the registrations.)

119) Mr Norris made the concession re computers and closely related software, such as operating software for computers; computers used for storing and playing music.

120) The use shown on various products and services is often with sub-brands of AI. However, it is clear that the APPLE name is also used with these sub-brands and is a clear identifier of the undertaking responsible. A market is being maintained and created in relation to the trade mark APPLE.

121) AI has shown use on a panoply of software, both operational and application. It has shown use for software for both the business and the non-business user. There are suits of software with interconnecting functions. As per *Galileo International Technology, LLC v European Union (formerly European Community)*, a specification for software at large will be hard to maintain. Mr Norris submitted that any finding in relation to software should be such that it limited to software for use with the products of AI. For the most part the software is for use on the products of AI; although this is not the case in relation to software for downloading electronic media. Mr Norris's suggestion would be to limit a specification artificially. The products upon which the trade mark has been

used are products of their own right, the specification must describe them as the consumer would describe them. Mr Norris is advocating “the three-holed razor blades imported from Venezuela” approach to classification. It is not considered an appropriate way in which to describe the use that has been shown. The scope and variety of use is such that to categorise the established use by listing and identifying specific software functions would be contrary to the findings in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* and *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*. **The variety and extent of the use is such that it must be described as showing use upon computer programs and computer software.** *Computer programs* will include firmware.

122) The evidence in relation to the conferences for developers is of limited value in relation to the proof of use. Such conferences and the supplying of information to developers are ways in which suppliers of software make sure that the software of third parties is compatible with it. There is no evidence that the majority of the class 42 services have been provided externally; such services relate to the development of AI’s products, not to the maintenance and creation of a market in relation to the services. AI may furnish software that can be used in a variety of functions; this is not the same as supplying services in relation to such products. **The best that can be said of the evidence, in relation to class 42, is that it establishes use in relation to advisory services in relation to computers and software and computer services in relation to the supply of music over the Internet and that it does establish use in relation to delivery of digital music by telecommunication and electronic transmission** (a service specifically queried by WN). The music service being provided by iTunes.

123) In relation to the remaining class 9 goods, for which proof of use has been required, the use in relation to the iPod is established. The nature of this use that is shown, within the jurisdictions and material periods, is limited to the product being used for the recordal and reproduction of music. (The use in relation to films, for instance, is not shown by reference to jurisdiction and material date.) **Consequently, use has been established for devices for the recordal and reproduction of music.** There is an absence of proof of use in relation to the other remaining goods in class 9 which are subject to challenge.

124) The scope of what has been shown in relation to the class 38 services under challenge is limited. **The evidence only substantiates use for receipt and delivery of digital music by telecommunication and electronic transmission.**

125) WN only challenged *instruction and entertainment in the field of computers, multimedia products, interactive products and online services*; so not challenging educational services at large, which covers all instruction. The evidence supports AI supplying instruction in relation to its goods and services; through its



shops, advice services and service contracts. Its iTunes service supplies entertainment; although for the material periods, in the jurisdiction, the evidence only supports use in relation to audio content. AI's computers, however, are multimedia products. **A fair specification, in relation to the class 41 services being challenged, is *instruction in the field of computers, multimedia products, interactive products and online services; online audio entertainment services.***

### ***The Wapple tree, intention and living dangerously***

126) It was significant for Mr Engelman that WN had at one time referred to "The Wapple Tree" and had used the stylised device of a tree. This showed, in Mr Engelman's view, that WN had the intent on trading on AI's reputation; the tree reference making an association with APPLE. He queried the failure of WN to furnish evidence in relation to its choice of Wapple as a trade mark. Mr Engelman referred to part 18 requests for further information about the creation and use of WN's trade marks. The Civil Procedure Rules do not apply to proceedings before the registrar<sup>vi</sup>; parties can seek disclosure under rule 65 of the Trade Marks Rules 2008. WN responded to the requests but did not give information that effectively went beyond what is in the statement of Ms Thomas:

"It was a quirky name which we came up with out of the word "WAP".

The services provided by WN are WAP based services; consequently the presence of WAP in WAPPLE is not surprising. As Ms Thomas states, WAPPLE does appear quirky. At one stage there was use with the stylised device of a tree. Mr Engelman effectively submits that the trade mark WAPPLE can only have been created in order to benefit from the reputation of AI. This premise partly rests on AI's name and its connotations in relation to computing having displaced the everyday meaning of apple and apple tree. In relation to the absence of documentation in relation to the derivation of WAPPLE, it is of little significance that a business starting out from scratch does not have records of how its name was derived. It would be more surprising if there were recorded records.

127) Mr Engelman submitted that the alleged intention of WN to benefit from the reputation of AI should be taken into account in relation to section 5(2)(b) of the Act. The global appreciation under section 5(2)(b) of the Act does not involve the intention of an applicant. The intention of the applicant is not going to affect the issue of whether there is a likelihood of confusion; no more than current marketing strategies do. Mr Engelman's argument is not supported by case law and can be described, borrowing the term from another sphere of activity, as an intentional fallacy.

128) In relation to section 5(3) of the Act and taking unfair advantage, the intention of a party is of importance. The intention can establish the unfairness of the advantage<sup>vii</sup>.

129) In relation to passing-off, the effect of intention was considered in *Slazenger & Sons v Feltham & Co* [1889] 6 RPC 531 CA where Lindley LJ (at page 538) stated:

“Well, what is that for? One must exercise one’s common sense, and, if you are driven to the conclusion that what is intended to be done is to deceive if possible, I do not think it is stretching the imagination very much to credit the man with occasional success or possible success. Why should we be so astute to say that he cannot succeed in doing that which he is straining every nerve to do?”

The origin of the term, living dangerously, is found in *United Biscuits (UK) Ltd v Asda Stores Ltd* [1997] RPC 513:

“Mr. Pollock accepted this as a matter of principle but said that it could have no application to this case. He stressed that Mr. Blundell had readily accepted that the original artwork was “too close” to the Penguin get-up and that it had been changed in order to avoid confusion, which the defendant (as well as the plaintiff) wanted to avoid). The evidence did not explore fully how the original artwork came to be so obviously “too close”; apart from Mr. Branckston's design brief, there were very few extant documents (and none as to the reasons for adoption of the name Puffin). It is certainly true that changes were made in the first design so as to lessen the risk (initially more or less a certainty) of confusion. But it seems to me likely that Mr. McLeod, Mr. Blundell and their subordinates and independent designers were, under advice, seeking to make only such changes as were needed in order to avoid what they judged to be an unacceptable risk of being attacked for copying, while maintaining Puffin's position as an obvious competitor and parody, and (they hoped) a “brand beater”. I cannot escape the conclusion that, while aiming to avoid what the law would characterise as deception, they were taking a conscious decision to live dangerously. That is not in my judgment something that the court is bound to disregard.”

The concept was considered by Mann J in *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2010] EWHC 2035 (Ch).

130) In all of these cases it was established that the respondents clearly had in mind the trade marks of the plaintiffs when they were devising their trade marks. This is not the case here. In the absence of documentation, it is difficult to establish whether WN had considered the trade mark of AI. However, Ms Thomas stated how the trade mark was derived. AI could have cross-examined

her on her evidence; to, at least, try to put it to the test. It did not opt to do so. At the time of coining the trade mark WN no doubt knew of AI; this does not mean that they made a decision to live dangerously or were even conscious of any potential link with AI. Apples and apple trees have significance other than in relation to AI.

131) Mr Engelman made references to the Urban Dictionary reference:

“A common nickname for Apple computers used by whiny, spoonfed Mac fascists.”

There is no indication that the term was in use at the time of the coining of WAPPLE. There is no evidence as to the provenance of the Urban Dictionary, this is clearly not the *Oxford English Dictionary*. There is nothing to support the statement that it is a *common* “nickname” at all or that it is known in the United Kingdom or that the average consumers of the goods and services of the parties would be aware of it. It is not considered that the reference has any weight.

132) AI has not established that WI had an intention to take advantage of the reputation of APPLE nor that it was living dangerously. (The evidence from the deeply flawed survey would suggest that if that had been the intention of WN, it had failed.)

***Current marketing of WN, absence of evidence of confusion, absence of proceedings in the courts***

133) WN has prayed in aid that there was no evidence of confusion in the market place and that AI had not brought any action in the courts against it; despite WN having traded for some years.

134) There is a tranche of case law to the effect that lack of confusion in the market place is indicative of very little: *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283, *Rousselon Freres et Cie v Horwood Homewares Limited* [2008] EWHC 881 (Ch), *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 and *Aceites del Sur-Coosur SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-498/07 P*. In *The European Limited v The Economist Newspaper Ltd* Millet LJ stated:

“Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark.”

In *Compass Publishing BV v Compass Logistics Ltd* [2004] RPC 41 Laddie J stated:

“22. It is frequently said by trade mark lawyers that when the proprietor's mark and the defendant's sign have been used in the market place but no confusion has been caused, then there cannot exist a likelihood of confusion under Article 9.1(b) or the equivalent provision in the Trade Marks Act 1994 ("the 1994 Act"), that is to say s. 10(2). So, no confusion in the market place means no infringement of the registered trade mark. This is, however, no more than a rule of thumb. It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place.”

135) The trade marks of WN are not used in a vacuum; they are used with other indications that allow them to distinguish. It is WN's argument that it is in a totally different market to AI with a totally different clientele; if they have not been in the same market, they cannot be said to have co-existed peacefully. Consequently, WN defeats its own argument. The argument of WN ignores the fact that the specifications of its applications are not limited to the very limited services which it has provided.

136) The lack of infringement action is the other side of the same coin; the nature of the use may be such that an infringement action would not be viable.

137) WN prays in aid how it markets its services and how AI markets its goods and services. The current marketing undertaken by the parties is not relevant to the issues to be determined. In *Oakley, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-116/06* the General Court (GC) stated:

“76 Consideration of the objective circumstances in which the goods and services covered by the marks in dispute are marketed is fully justified. The examination of the likelihood of confusion which the OHIM authorities are called on to carry out is prospective. Since the particular circumstances in which the goods covered by the marks are marketed may vary in time, and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion

between two marks, which pursues an aim in the general interest, that is, that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions, whether carried out or not – and which are naturally subjective – of the trade mark proprietors (*QUANTUM*, paragraph 75 above, paragraph 104, and *T.I.M.E. ART/Devinlec v OHIM*, paragraph 75 above, paragraph 59).”

The issue was also covered by the GC in *NHL Enterprises BV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-414/05*:

“71 The Court considers, first, that that assessment by the Board of Appeal is not called in question by the particular conditions in which the applicant’s goods are marketed, since only the objective marketing conditions of the goods in question are to be taken into account when determining the respective importance to be given to visual, phonetic or conceptual aspects of the marks at issue. Since the particular circumstances in which the goods covered by the marks at issue are marketed may vary in time and depending on the wishes of the proprietors of those marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, namely that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions of the trade mark proprietors – whether carried out or not – which are naturally subjective (see, to that effect, *NLSPORT*, *NLJEANS*, *NLACTIVE* and *NLCollection*, cited at paragraph 61 above, paragraph 49, and Case T-147/03 *Devinlec v OHIM – TIME ART (QUANTUM)* [2006] ECR II-11, paragraphs 103 to 105, upheld on appeal by the Court by judgment of 15 March 2007 in Case C-171/06 P *TIME ART v OHIM*, not published in the ECR, paragraph 59).”

In *Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 147/03* the GC stated:

“104 Consideration of the objective circumstances in which the goods covered by the marks are marketed is fully justified. The examination of the likelihood of confusion which the OHIM authorities are called on to carry out is a prospective examination. Since the particular circumstances in which the goods covered by the marks are marketed may vary in time and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, that is, the aim that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the

commercial intentions, whether carried out or not, and naturally subjective, of the trade mark proprietors.

107 It follows that by taking into consideration in the assessment of the likelihood of confusion between the marks the particular circumstances in which the goods covered by the earlier mark are marketed, the temporal effect of which is bound to be limited and necessarily dependent solely on the business strategy of the proprietor of the mark, the Board of Appeal erred in law.”

138) The evidence of Mr Zook also shows that the running of websites is by no means the sole preserve of large undertakings but is undertaken by individuals and sole traders.

139) WN also makes reference to the existence of its trade mark registration no 2368198, which had not been the subject of action by AI. Mr Engelman advised at the hearing that AI had filed an application for invalidation of the registration the day before the hearing. These proceedings have to be decided upon the facts of the individual cases; the existence of an earlier registration does not have a bearing upon the issues to be considered here.

**Section 5(2)(b) of the Act – likelihood of confusion**

140) Section 5(2)(b) of the Act states:

“(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.”

**Average consumer and nature of purchasing decision**

141) The average consumer “is deemed to be reasonably well informed and reasonably circumspect and observant”<sup>viii</sup>.

*Downloadable mobile phone content including logos, ring tones, Internet and wireless application protocol (WAP) games, pictures, wallpapers, animations and applications; all of the aforesaid being downloadable via the mobile phone wireless application protocol (WAP); mobile phone accessories; software to enable access to the Internet from mobile devices; software for mobile Internet technology; software to enable videos, games, graphics, music and/or animated images to be transmitted, viewed and/or managed are all products that could be purchased without a great deal of thought. Indeed, they are goods that could be*

supplied free to the user. They could be purchased on impulse. Consequently, the possible effects of imperfect recollection will be increased.

142) *Software to enable the construction of internet sites designed to be viewed via mobile devices; software and/or apparatus for profiling and identifying a mobile device to optimise the delivery of internet sites viewed by that mobile device; software to build internet sites designed to be viewed via mobile devices using wireless application protocol; software and/or apparatus which allows users to carry out marketing and promotions via mobile devices; software to allow technology to prevent and control unauthorised peer-to-peer file sharing as a solution to digital rights management* are products that will be purchased with a good deal of research and care; whether the purchaser is a large corporation, a sole trader or an individual. There are issues of compatibility, of quality, of robustness and reliability. Consequently, the possible effects of imperfect recollection will be greatly decreased.

143) *Wireless application protocol (WAP) search engine, portal and directory services; provision of access to an accredited developers network allowing third parties to use and/or resell mobile phone technology and services; non-downloadable games, pictures, chat room services; all made available via the mobile phone wireless application protocol (WAP)* are all services that could be supplied to the public at large. They are services that may be supplied free to the user or for little cost. They are not, of their nature, services that will necessarily be purchased after a careful and educated purchasing decision; they could be purchased or used on impulse. Consequently, the possible effects of imperfect recollection will be increased.

144) *Development of wireless application protocol (WAP) software engines; wireless application protocol (WAP) web-site hosting services. Software development, licensing of software, development of software for mobile telephony services; licensing of software for mobile telephony services; consultancy services relating to technology available for marketing and/or promotional activities via mobile devices and/or technology which profiles and identifies a mobile device and/or technology which controls and prevents unauthorised peer-to-peer file sharing; hosting of internet sites designed to be viewed via mobile devices using wireless application protocol* are all services that will normally be supplied for business purposes. They are services which will be purchased following discussion and research. Consequently, the possible effects of imperfect recollection will be greatly decreased.

145) *Software to enable the construction of Internet sites designed to be viewed by mobile devices; software to build Internet sites designed to be viewed via mobile devices using wireless Internet protocol (WAP); software and/or apparatus for profiling and identifying a mobile device to optimise the delivery of Internet sites viewed by that mobile device; software and/or apparatus which allows users to carry out marketing and promotions via mobile devices* are

products that will be purchased with a good deal of research and care; whether the purchaser is a large corporation, a sole trader or an individual. There are issues of compatibility, of quality, of robustness and reliability. Consequently, the possible effects of imperfect recollection will be greatly decreased.

146) *Software to enable access to the Internet from mobile devices; software to enable videos, games, graphics, music and/or animated gifts to be transmitted, viewed and/or managed; downloadable mobile phone content including logos, ringtones, Internet and WAP games, pictures, wallpapers, animations and applications; all of the aforesaid being downloadable via the mobile phone WAP; mobile phone accessories* are all products that could be purchased without a great deal of thought. Indeed, they are goods that could be supplied free to the user. They could be purchased on impulse. Consequently, the possible effects of imperfect recollection will be increased.

147) In *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)* the GC stated:

“49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

148) The goods and services of the parties will primarily be purchased, or first encountered, visually. Visual similarity, or the absence thereof, will have a greater effect than phonetic similarity, or the absence thereof.

### ***Comparison of trade marks***

149) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details<sup>ix</sup>. The visual, aural and conceptual similarities of the marks must, therefore, be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components<sup>x</sup>. Consequently, there cannot be an artificial dissection of the trade marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct



comparisons between marks and must instead rely upon the imperfect picture of them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant<sup>xi</sup>. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public<sup>xii</sup>.

150) Some consumers will say WAPPLE with a short a, some will enunciate it with a longer a. The best case for AI lays with the short a pronunciation and so the phonetic comparison will be made on this basis.

### *WAPPLE*

151) Neither APPLE nor WAPPLE will naturally be divided into separate elements, or considered in such a fashion, by the average consumer. Their distinctive and dominant elements lay in the trade marks in their entireties.

152) APPLE and WAPPLE both have two syllables. The pronunciation of the trade mark of WN is distinguished from that of AI by the letter w at the front. This is not a sound that is likely to be lost when enunciated; the w in wall is not lost, leading to confusion with all. The natural emphasis falls upon the first syllable, placing more emphasis upon the w sound. Owing to the w at the beginning of WN's trade mark, there is a low degree of phonetic similarity between the respective trade marks.

153) Visually WN's trade mark shares the final five letters with APPLE. The average consumer will not ignore the W; especially as it creates an invented word. There is a medium degree of visual similarity between the respective trade marks.

154) For the average consumer WAPPLE is an invented word with no meaning; owing to the nature of many of the goods and services the average consumer may see a reference to WAP technology. APPLE is a well-known word. The respective trade marks are conceptually dissimilar; as WAPPLE has no meaning, this dissimilarity is not at the level of conceptual dissonance.



155) The wapple element in the above trade mark can be considered on the same basis as WAPPLE on its own; nothing turns upon wapple being in lower case. The canvas element of the trade mark is neither descriptive nor allusive to the goods or services of the application. Owing to the positioning and size of the two word elements, each is a distinctive and dominant component of the trade mark. The contrasting colours and the positioning of the words makes the device element of the trade mark noticeable. Visually and phonetically the trade mark needs must be less similar to the trade mark of AI than WAPPLE on its own. As well as the conceptual dissimilarity in relation to wapple/APPLE, there is the conceptual dissonance in relation to canvas.



156) The upper trade mark of the series is in colour. In *Mary Quant Cosmetics Japan Ltd v Able C & C Co Ltd* BL O/246/08 Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

“10. The present oppositions under Section 5(2)(b) are based on the rights conferred by registration of a device mark recorded in the register in black-and-white. It follows that colouring is immaterial to the distinctiveness of the Opponent’s device mark as registered and therefore irrelevant for the purposes of the assessment of similarity in both oppositions.”

In *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2010] EWHC 2035 (Ch) Mann J stated:

“119. It is not clear to me that this is a debate which advances the case very much, but the position seems to me to be as follows. As a matter of principle the exercise involves comparing the offending sign with the registered mark and assessing the likelihood of confusion or association. The two things have to be compared. Since we live in a visual world, and signs are visual, some form of appearance has to be considered. If the registered mark is limited to a colour, then the mark that is used has to be compared, as used, to the mark that is registered, as registered (and therefore in colour). If the registered mark is unlimited as to colour then it is registered for all colours. This means that the colour of the offending sign becomes irrelevant. It will not be possible to say that its colour prevents there being an infringement. At this point one can take one of two courses, each of which ought to have the same result. The first is to imagine the registered mark in the same colour as the offending sign. The second is to drain the colour from the offending sign. Either way one then has the material for comparison. One could even imagine them both in a third colour. It does not matter. So in a sense both Mr Purvis and Mr Bloch are right. As a matter of visual convenience it seems to me to be easier to imagine the registered mark in a colour than to imagine the offending sign drained of colour, and I propose to adopt that course.”

As the trade mark of AI is not limited to any colour or registered in any colour, the upper trade mark of WN must be “drained of colour” and so colour plays no part in the consideration of similarity and so what goes one for trade mark of the series goes for the other also.

157) The format of the main word element of the trade marks brings into play different considerations to those applied to the non-stylised word WAPPLE. The word apple is clearly discernible in the trade marks. The element before apple is not obviously the letter W, it could be seen as a three pronged device. Taking into account that apple is a commonly used word, the average consumer is likely to perceive the word apple. This perception will bring phonetic and conceptual identity in respect of this element. Being a readily identified word with no meaning in relation to the goods and services, the apple element is the distinctive and dominant component. The .net element will be seen as an indication of a domain name or of an Internet business; it has the most limited distinctiveness for the goods and service of the application and no dominance. The sun device and the element before apple have some distinctiveness and bring a degree of visual dissimilarity. Mr Engelman submitted that sun devices are associated with fruit and so the sun element has a conceptual association with fruit. It is not considered that the average consumer is going to follow this chain of thought. Words have importance, not only in terms of conceptual associations and phonetics, but also in terms of visual similarity. Words are captured by the

memory and a word element will primarily be remembered by the letters that make it up rather than any stylisation of those letters. There is a high degree of phonetic and conceptual similarity between the trade marks and the trade mark of AI. There is a reasonable degree of visual similarity between the trade marks. (Even if the three pronged device were seen as a W, the manner of the presentation is such that the APPLE element stands out.)

158) In comparing the various trade marks the reputation of AI has not been taken into account. The GC stated in *Ravensburger AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-243/08*:

“27 It is appropriate at the outset to reject that complaint as unfounded. The reputation of an earlier mark or its particular distinctive character must be taken into consideration for the purposes of assessing the likelihood of confusion, and not for the purposes of assessing the similarity of the marks in question, which is an assessment made prior to that of the likelihood of confusion (see, to that effect, judgment of 27 November 2007 in Case T-434/05 *Gateway v OHIM – Fujitsu Siemens Computers (ACTIVY Media Gateway)*, not published in the ECR, paragraphs 50 and 51).”

A finding that can also be found in *Accenture Global Services GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-244/09*, *Lan Airlines, SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-194/09* and *Ferrero SpA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-140/08*. The comparison is sign to sign, reputation is taken into account in the global appreciation of a likelihood of confusion.

### **Comparison of goods and services**

159) In “construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade<sup>xiii</sup>”. Words should be given their natural meaning within the context in which they are used, they cannot be given an unnaturally narrow meaning<sup>xiv</sup>. Consideration should be given as to how the average consumer would view the goods and/or services<sup>xv</sup>. The class of the goods and/or services in which they are placed may be relevant in determining the nature of the goods and/or services<sup>xvi</sup>. In assessing the similarity of goods and/or services it is necessary to take into account, inter alia, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary<sup>xvii</sup>. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J also gave guidance as to how similarity should be assessed<sup>xviii</sup>.

160) Jacob J in *Avnet Incorporated v Isoact Ltd* [1998] FSR 16 stated:

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

161) In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 the GC explained when goods are complementary:

“82 It is true that goods are complementary if 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 (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P *Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

162) *Software to enable the construction of internet sites designed to be viewed via mobile devices and/or software to enable access to the Internet from mobile devices; software for mobile Internet technology; software to build internet sites designed to be viewed via mobile devices using wireless application protocol; software to enable videos, games, graphics, music and/or animated images to be transmitted, viewed and/or managed; software for profiling and identifying a mobile device to optimise the delivery of internet sites viewed by that mobile device; software and/or apparatus which allows users to carry out marketing and promotions via mobile devices; software to allow technology to prevent and control unauthorised peer-to-peer file sharing as a solution to digital rights management and software to enable the construction of Internet sites designed to be viewed by mobile devices and/or software to enable access to the Internet from mobile devices; software to build Internet sites designed to be viewed via mobile devices using wireless Internet protocol (WAP); software to enable videos, games, graphics, music and/or animated gifts to be transmitted, viewed and/or managed; software for profiling and identifying a mobile device to optimise the delivery of Internet sites viewed by that mobile device; software which allows users to carry out marketing and promotions via mobile devices* are all varieties of software and so are encompassed by AI's computer programs and computer software and so the respective goods are identical.

163) *Downloadable mobile phone content including logos, ring tones, Internet and wireless application protocol (WAP) games, pictures, wallpapers, animations and applications; all of the aforesaid being downloadable via the mobile phone wireless application protocol (WAP)* are all provided in the form of software and

so are identical to AI's *computer software*; both being software. AI's registration no 2593168 includes *computer games* in class 28 which will be highly similar, if not identical, to *Internet and wireless application protocol (WAP) games*.

164) *Apparatus for profiling and identifying a mobile device to optimise the delivery of internet sites viewed by that mobile device; apparatus which allows users to carry out marketing and promotions via mobile devices* are products that process data and will be within the term *data processing equipment* of registration no 2593168.

165) *Apparatus for transmission or reproduction of sound* of registration no 2593168 will include mobile telephones. *Mobile phone accessories* require mobile telephones; the average consumer would believe that the same undertaking was responsible for the accessories and the phones. The respective goods are complementary. The respective goods will be found in the same shops, the users will be persons who have mobile telephones and so the respective goods have the same users. The respective goods are highly similar.

**166) Consequently, all of the class 9 goods of the applications are identical or highly similar to the goods of AI.**

167 ) *Wireless application protocol (WAP) portal and directory services; provision of access to an accredited developers network allowing third parties to use and/or resell mobile phone technology and services* are all effectively portal services. AI has not been put to proof re *rental, hire and leasing of electronic mailboxes and electronic bulletin board services* of registration no 753. An electronic bulletin board allows for the uploading and downloading of software, news and the exchange of messages; such services have the same potential users, are used in the same manner, have the same channel of trade and could be in competition with *wireless application protocol (WAP) portal and directory services; provision of access to an accredited developers network allowing third parties to use and/or resell mobile phone technology and services*. Consequently, the respective services are highly similar. A search engine is software, although search engines are available to download from the Internet they also come bundled with computers eg AI machines may have Safari upon them, PCs often have Internet Explorer upon them. As a search engine is software it must be considered to be exceptionally similar, if not identical, to AI's software in class 9. **Consequently, all of the class 38 services of the applications are highly similar to goods and services of AI.**

168) *Non-downloadable games* are identical to *computer games* in everything but the format in which they are accessed. They are, therefore, highly similar. *Chat room services* provide a virtually identical service to *electronic bulletin board services*. In both services the users communicate using a computer system, whether that access is by a conventional computer or a mobile phone. The respective services are highly similar. Between *pictures, via the mobile phone*

*wireless application protocol* and the downloadable pictures of class 9, there is at the most the difference of the width of a cigarette paper. Consequently, these services must be considered to be highly similar to the software of AI. **Consequently, all of the class 41 services of the applications are highly similar to the goods and services of AI.**

169) *Development of wireless application protocol (WAP) software engines; wireless application protocol (WAP) web-site hosting services. Software development, licensing of software, development of software for mobile telephony services; licensing of software for mobile telephony services; consultancy services relating to technology available for marketing and/or promotional activities via mobile devices and/or technology which profiles and identifies a mobile device and/or technology which controls and prevents unauthorised peer-to-peer file sharing; hosting of internet sites designed to be viewed via mobile devices using wireless application protocol* are all services that inextricably use software or relate to the use of software; they are computer related services. As well as establishing use for computer software at large, AI has established use in relation to advisory services in relation to computers and software; which will in certain contexts be a form of consultancy. Undertakings may have the option of purchasing off-the-peg computer software services or having a tailor made system developed for them; or having an off-the-peg system adapted and developed for them. Consequently, there are degrees of complementarity, the services being dependent upon software. The users could be the same and for certain of the services there could be competition ie off-the-peg software against tailor made software. **Consequently, there is a reasonable degree of similarity between computer software and advisory services in relation to computers and software, of AI, and the class 42 services of WN.**

### ***Conclusion re likelihood of confusion***

170) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods, and vice versa<sup>xix</sup>. In this case the class 9, 38 and 41 services of the applications are identical or highly similar to the goods and services of AI. The class 42 services of the applications have a reasonable degree of similarity with the goods and services of AI.

171) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark the greater the likelihood of confusion<sup>xx</sup>. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public<sup>xxi</sup>. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of

the greater or lesser capacity of the mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods from those of other undertakings<sup>xxii</sup>. In relation to the *computer programs and computer software* and goods and services directly collateral to them, *computer games* and *advisory services in relation to computers and software*, the reputation of APPLE at the dates of application was enormous. It was a famous trade mark, one of the most famous trade marks. In relation to the other goods and services of AI which have been found to identical or similar, there was no similar reputation eg in relation to mobile telephones. However, the trade mark APPLE is of its nature is neither descriptive nor allusive to these goods and services and so enjoys a good deal of inherent distinctiveness. Owing to the enormous reputation of AI in relation to computer and Internet technology, the effect of the reputation cannot be rigidly compartmentalised. The reputation would, at the dates of application, have had an effect upon the average consumer in relation to anything involving computer and Internet technology.

172) In *Phillips-Van Heusen Corp v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-292/01*:

“54. Next, it must be held that the conceptual differences which distinguish the marks at issue are such as to counteract to a large extent the visual and aural similarities pointed out in paragraphs 49 and 51 above. For there to be such a counteraction, at least one of the marks at issue must have, from the point of view of the relevant public, a clear and specific meaning so that the public is capable of grasping it immediately. In this case that is the position in relation to the word mark BASS, as has just been pointed out in the previous paragraph. Contrary to the findings of the Board of Appeal in paragraph 25 of the contested decision, that view is not invalidated by the fact that that word mark does not refer to any characteristic of the goods in respect of which the registration of the marks in question has been made. That fact does not prevent the relevant public from immediately grasping the meaning of that word mark. It is also irrelevant that, since the dice game ‘Pasch’ is not generally known, it is not certain that the word mark PASH has, from the point of view of the relevant public, a clear and specific meaning in the sense referred to above. The fact that one of the marks at issue has such a meaning is sufficient - where the other mark does not have such a meaning or only a totally different meaning - to counteract to a large extent the visual and aural similarities between the two marks.”

It is to be noted that conceptual difference does not always trump visual and aural similarities as per the judgment of the GC in *Nokia Oyj v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-460/07*:



“66 Furthermore, it must be recalled that, in this case, although there is a real conceptual difference between the signs, it cannot be regarded as making it possible to neutralise the visual and aural similarities previously established (see, to that effect, Case C-16/06 P *Éditions Albert René* [2008] ECR I-0000, paragraph 98).”

173) In relation to composite trade marks, various matters must be considered. In *Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) v Shaker di L Laudato & C Sas* Case C-334/05 P the CJEU stated:

“41 It is important to note that, according to the case-law of the Court, in the context of consideration of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see order in *Matratzen Concord v OHIM*, paragraph 32; *Medion*, paragraph 29).

42 As the Advocate General pointed out in point 21 of her Opinion, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element.”

In *Medion AG v Thomson multimedia Sales Germany & Austria GmbH* Case C-120/04 the CJEU stated:

“30 However, beyond the usual case where the average consumer perceives a mark as a whole, and notwithstanding that the overall impression may be dominated by one or more components of a composite mark, it is quite possible that in a particular case an earlier mark used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element.

31 In such a case the overall impression produced by the composite sign may lead the public to believe that the goods or services at issue derive, at the very least, from companies which are linked economically, in which case the likelihood of confusion must be held to be established.

32 The finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark.

33 If such a condition were imposed, the owner of the earlier mark would be deprived of the exclusive right conferred by Article 5(1) of the directive even where the mark retained an independent distinctive role in the composite sign but that role was not dominant.”

174) In considering the likelihood of confusion it is necessary to bear in mind the nature of the purchasing decision and average consumer for the goods and services.

*Application no 2442447*

175) The apple element of this trade mark has an independent distinctive rôle and it is the dominant element visually and phonetically. The other elements of the trade mark do not create a whole that changes the effect of this element. Owing to the similarities between the trade mark of WN and APPLE, the nature of the purchasing decision will have little effect. **Taking into account all of the criteria in relation to the global appreciation, there is a likelihood of confusion in relation to all of the goods and services of the application and the application is to be refused under section 5(2)(b) of the Act.**

*Application no 2459605*

176) This trade mark consists of two elements that are each distinctive and each independent. The wapple element stands out on its own. Owing to the positioning of the word elements the trade mark is most likely to be read as wapple canvas; the canvas element probably being seen as a sub-brand. Consequently, to a great extent the issue turns upon the similarity between WAPPLE and APPLE, and the perception of the average consumer.

177) This application is for class 9 goods only. Certain of the products will be purchased with a good deal of research and care (see above), giving less likelihood of confusion. However, certain of the products will not be purchased with a good deal of care. There are visual and phonetic similarities but also dissimilarities. There is the conceptual difference; as WAPPLE is an invented word, this is at the level of dissimilarity rather than dissonance. **The effect of the differences, even with goods for which there will not be a careful purchasing decision, is such that there is not a likelihood of confusion and the grounds of opposition under section 5(2)(b) of the Act are dismissed.**

*Application no 2442444*

178) This is the word only trade mark. There are visual and phonetic similarities but also dissimilarities. There is the conceptual difference; as WAPPLE is an invented word, this is at the level of dissimilarity rather than dissonance. **The effect of the differences, even with goods for which there will not be a**

**careful purchasing decision, is such that there is not a likelihood of confusion and the grounds of opposition under section 5(2)(b) of the Act are dismissed.**

### ***Section 5(3) of the Act***

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

“(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

180) In relation to the claims under section 5(3) of the Act AI must establish that at the date of the filing of the applications, its trade mark was known by a significant part of the public concerned by the products or services covered<sup>xxiii</sup>. The CJEU in *General Motors Corporation v Yplon SA* stated how a party would establish this reputation:

“27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

181) In its notices of opposition AI claims that it has the requisite reputation in respect of all of the goods and services for which the trade marks, upon which it relies, are registered. At the hearing Mr Engelman stated that this claim should be read within the context of the statement in its statement of grounds that AI is “a world-renowned computer and consumer electronics company producing personal computers and a wide variety of associated hardware, computer software, digital music and/or video players and other consumer electronic devices”. This is a statement about the company, not primarily the goods and services in relation to which it is claiming a reputation. In relation to passing-off, AI claims goodwill in relation to all of the goods and services of its registration plus other goods and services. It is not possible, therefore, to read the claim in the light advanced by Mr Engelman.

182) Mr Norris was willing to accept that AI had the necessary reputation in respect of “computers, closely related software, iPods and closely related software”. At the dates of the applications, the evidence supports the requisite

reputation in relation to computers, computer software, digital music players and online audio entertainment services (the last term relates to a finding in relation to proof of use). The reputation was, at the dates of application, enormous. In relation to the goods and services for which there was a reputation, there is no evidence of any others using APPLE and so it must be considered unique in the field.. APPLE was also, per se, highly distinctive for the goods and services.

183) In *Intel Corporation Inc v CPM United Kingdom Ltd* Case C-252/07, the CJEU considered Article 4(4)(a) of Directive 2008/95/EC of the European Parliament and the Council of 22 October 2008 (the Directive), which is the basis of section 5(3) of the Act:

“26 Article 4(4)(a) of the Directive establishes, for the benefit of trade marks with a reputation, a wider form of protection than that provided for in Article 4(1). The specific condition of that protection consists of a use of the later mark without due cause which takes or would take unfair advantage of, or is or would be detrimental to, the distinctive character or the repute of the earlier mark (see, to that effect, in respect of Article 5(2) of the Directive, *Marca Mode*, paragraph 36; *Adidas-Salomon and Adidas Benelux*, paragraph 27, and Case C-102/07 *adidas and adidas Benelux* [2008] ECR I-0000, paragraph 40).

27 The types of injury against which Article 4(4)(a) of the Directive ensures such protection for the benefit of trade marks with a reputation are, first, detriment to the distinctive character of the earlier mark, secondly, detriment to the repute of that mark and, thirdly, unfair advantage taken of the distinctive character or the repute of that mark.

28 Just one of those three types of injury suffices for that provision to apply.

29 As regards, in particular, detriment to the distinctive character of the earlier mark, also referred to as ‘dilution’, ‘whittling away’ or ‘blurring’, such detriment is caused when that mark’s ability to identify the goods or services for which it is registered and used as coming from the proprietor of that mark is weakened, since use of the later mark leads to dispersion of the identity and hold upon the public mind of the earlier mark. That is notably the case when the earlier mark, which used to arouse immediate association with the goods and services for which it is registered, is no longer capable of doing so.

30 The types of injury referred to in Article 4(4)(a) of the Directive, where they occur, are the consequence of a certain degree of similarity between the earlier and later marks, by virtue of which the relevant section of the public makes a connection between those two marks, that is to say, establishes a link between them even though it does not confuse them

(see, in relation to Article 5(2) of the Directive, *General Motors*, paragraph 23; *Adidas-Salomon and Adidas Benelux*, paragraph 29, and *adidas and adidas Benelux*, paragraph 41).

31 In the absence of such a link in the mind of the public, the use of the later mark is not likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier mark.

32 However, the existence of such a link is not sufficient, in itself, to establish that there is one of the types of injury referred to in Article 4(4)(a) of the Directive, which constitute, as was stated in paragraph 26 of this judgment, the specific condition of the protection of trade marks with a reputation laid down by that provision.....

37 In order to benefit from the protection introduced by Article 4(4)(a) of the Directive, the proprietor of the earlier mark must adduce proof that the use of the later mark 'would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark'.

38 The proprietor of the earlier trade mark is not required, for that purpose, to demonstrate actual and present injury to its mark for the purposes of Article 4(4)(a) of the Directive. When it is foreseeable that such injury will ensue from the use which the proprietor of the later mark may be led to make of its mark, the proprietor of the earlier mark cannot be required to wait for it actually to occur in order to be able to prohibit that use. The proprietor of the earlier mark must, however, prove that there is a serious risk that such an injury will occur in the future.

44 As regards the degree of similarity between the conflicting marks, the more similar they are, the more likely it is that the later mark will bring the earlier mark with a reputation to the mind of the relevant public. That is particularly the case where those marks are identical.

45 However, the fact that the conflicting marks are identical, and even more so if they are merely similar, is not sufficient for it to be concluded that there is a link between those marks.

46 It is possible that the conflicting marks are registered for goods or services in respect of which the relevant sections of the public do not overlap.

47 The reputation of a trade mark must be assessed in relation to the relevant section of the public as regards the goods or services for which that mark was registered. That may be either the public at large or a more specialised public (see *General Motors*, paragraph 24).

48 It is therefore conceivable that the relevant section of the public as regards the goods or services for which the earlier mark was registered is completely distinct from the relevant section of the public as regards the goods or services for which the later mark was registered and that the earlier mark, although it has a reputation, is not known to the public targeted by the later mark. In such a case, the public targeted by each of the two marks may never be confronted with the other mark, so that it will not establish any link between those marks.

49 Furthermore, even if the relevant section of the public as regards the goods or services for which the conflicting marks are registered is the same or overlaps to some extent, those goods or services may be so dissimilar that the later mark is unlikely to bring the earlier mark to the mind of the relevant public.

50 Accordingly, the nature of the goods or services for which the conflicting marks are registered must be taken into consideration for the purposes of assessing whether there is a link between those marks.

51 It must also be pointed out that certain marks may have acquired such a reputation that it goes beyond the relevant public as regards the goods or services for which those marks were registered.

52 In such a case, it is possible that the relevant section of the public as regards the goods or services for which the later mark is registered will make a connection between the conflicting marks, even though that public is wholly distinct from the relevant section of the public as regards goods or services for which the earlier mark was registered.

53 For the purposes of assessing where there is a link between the conflicting marks, it may therefore be necessary to take into account the strength of the earlier mark's reputation in order to determine whether that reputation extends beyond the public targeted by that mark.

54 Likewise, the stronger the distinctive character of the earlier mark, whether inherent or acquired through the use which has been made of it, the more likely it is that, confronted with a later identical or similar mark, the relevant public will call that earlier mark to mind.

55 Accordingly, for the purposes of assessing whether there is a link between the conflicting marks, the degree of the earlier mark's distinctive character must be taken into consideration.

56 In that regard, in so far as the ability of a trade mark to identify the goods or services for which it is registered and used as coming from the proprietor of that mark and, therefore, its distinctive character are all the

stronger if that mark is unique – that is to say, as regards a word mark such as INTEL, if the word of which it consists has not been used by anyone for any goods or services other than by the proprietor of the mark for the goods and services it markets – it must be ascertained whether the earlier mark is unique or essentially unique.

57 Finally, a link between the conflicting marks is necessarily established when there is a likelihood of confusion, that is to say, when the relevant public believes or might believe that the goods or services marketed under the earlier mark and those marketed under the later mark come from the same undertaking or from economically-linked undertakings (see to that effect, inter alia, Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 17, and Case C-533/06 *O2 Holdings and O2 (UK)* [2008] ECR I-0000, paragraph 59).

58 However, as is apparent from paragraphs 27 to 31 of the judgment in *Adidas-Salomon and Adidas Benelux*, implementation of the protection introduced by Article 4(4)(a) of the Directive does not require the existence of a likelihood of confusion.

59 The national court asks, in particular, whether the circumstances set out in points (a) to (d) of Question 1 referred for a preliminary ruling are sufficient to establish a link between the conflicting marks.

60 As regards the circumstance referred to in point (d) of that question, the fact that, for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark would call the earlier mark to mind is tantamount to the existence of such a link.

61 As regards the circumstances referred to in paragraphs (a) to (c) of that question, as is apparent from paragraph 41 to 58 of this judgment, they do not necessarily imply the existence of a link between the conflicting marks, but they do not exclude one either. It is for the national court to base its analysis on all the facts of the case in the main proceedings.

62 The answer to point (i) of Question 1 and to Question 2 must therefore be that Article 4(4)(a) of the Directive must be interpreted as meaning that whether there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the earlier mark with a reputation and the later mark must be assessed globally, taking into account all factors relevant to the circumstances of the case.

63 The fact that for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark with a reputation to mind is tantamount to the existence of

such a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the conflicting marks.

64 The fact that:

- the earlier mark has a huge reputation for certain specific types of goods or services, and
- those goods or services and the goods or services for which the later mark is registered are dissimilar or dissimilar to a substantial degree, and
- the earlier mark is unique in respect of any goods or services,

does not necessarily imply that there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the conflicting marks.”

184) Part of the consideration in relation to taking unfair advantage, is the unfairness of the advantage. In *L’Oreal SA v Bellure NV* [2010] RPC 23 Jacob LJ stated:

“49 Turning to the substance of the point, the ECJ’s reasoning runs thus:

- (a) art.5(2) applies to same mark/same goods case, see cases cited at [35];
- (b) If a “link” in the mind of the public is established between the sign complained of and the registered mark, then there may be art.5(2) type infringement;
- (c) For such infringement it is necessary to show one of the types of injury against which art.5(2) is directed, namely detriment to distinctive character, detriment to the repute of the mark or unfair advantage taken of the distinctive character or repute of the mark—see [36]–[38].
- (d) The court explains the first two types of injury a little more in [39]–[40]. It is not necessary to go into these here because of the factual findings of no blurring and no tarnishment. What matters is its explanation of the third type—unfair advantage. Here is what it says:

“[41] As regards the concept of ‘taking unfair advantage of the distinctive character or the repute of the trade mark’, also referred to as ‘parasitism’ or ‘free-riding’, that concept relates not to the detriment caused to the mark but to the advantage taken by the third party as a result of the use of the identical or similar sign. It 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.



[49] ... where a third party attempts, through the use of a sign similar to a mark with a reputation, to ride on the coat-tails of that mark in order to benefit from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of his own in that regard, the marketing effort expended by the proprietor of that mark in order to create and maintain the image of that mark, the advantage resulting from such use must be considered to be an advantage that has been unfairly taken of the distinctive character or the repute of that mark.”

So far as I can see this is saying if there is “clear exploitation on the coat-tails” that is ipso facto not only an advantage but an unfair one at that. In short, the provision should be read as though the word “unfair” was simply not there. No line between “permissible free riding” and “impermissible free riding” is to be drawn. All free-riding is “unfair”. It is a conclusion high in moral content (the thought is clearly that copyists, even of lawful products should be condemned) rather than on economic content.”

In *Whirlpool Corporations and others v Kenwood Limited* [2009] EWCA Civ 753 Lloyd LJ stated:

“136. I do not consider that Kenwood's design involves anything like a transfer of the image of the KitchenAid mark, or of the characteristics which it projects, to the goods identified by Kenwood's sign (see *L'Oréal v Bellure* paragraph 41). Of course, as a newcomer in a specialist market of which KitchenAid had a monopoly, and being (necessarily) in the basic C-shape of a stand mixer, the kMix would remind relevant average consumers, who are design-aware, of the KitchenAid Artisan. That, however, is a very different phenomenon, in very different commercial circumstances, from the situation considered in *L'Oréal v Bellure*. I find the Court's judgment instructive, but it does not seem to me to lead to the conclusion in favour of Whirlpool for which Mr Mellor contends. On the contrary, having rejected his radical submission that the word "unfair" could just as well have been left out of the article, it seems to me that the decision points away from, rather than towards, liability under the article on the facts of the present case. It is not sufficient to show (even if Whirlpool could) that Kenwood has obtained an advantage. There must be an added factor of some kind for that advantage to be categorised as unfair. It may be that, in a case in which advantage can be proved, the unfairness of that advantage can be demonstrated by something other than intention, which was what was shown in *L'Oréal v Bellure*. No additional factor has been identified in this case other than intention.”

185) In the former judgment Jacob LJ refers to “clear exploitation on the coat tails”. He refers to the judgment of the CJEU in which it refers to a party attempting to ride on the coat tails. Consequently, the intent is still present in the consideration (as per *Whirlpool Corporations and others v Kenwood Limited*). There is not a negation of the necessity of the advantage being unfair but unfair has become the equivalent to intent, consequently, the judgments are not contradictory. (It is also to be noted that Lloyd LJ makes specific reference to paragraph 41 of *L'Oréal v Bellure* as did Jacob LJ.)

186) Mr Engelman has argued that the WAPPLE tree shows that there was an intent to trade off the reputation of AI. This claim has been rejected as not being established. Mr Engelman did not call Ms Thomas for cross-examination to test her statements re the genesis of the WAPPLE trade mark. As he was effectively submitting that her statement re this matter should not be believed, this would almost be a sine qua non of his submissions.

187) AI has failed to establish unfairness, either by evidence or inference, in relation to the claim of WN taking unfair advantage and so the claim under this head is rejected.

188) Mr Engelman submitted that the use of the trade marks of WN would tarnish the reputation of AI. The basis of this was that AI distances itself from pornography eg not allowing apps to have pornographic content. He noted that a user of WN's technology is Cherry Media SL which is “a leading specialist in the provision of glamour, erotic and adult entertainment for the mobile industry”. Mr Engelman submitted that WN “actively promotes its offering to pornographers”. The best that can be said for Mr Engelman's submission is that WN does not distinguish between users of its products; a slightly more nuanced position. (It is also the case that at the dates of application, there were no apps.)

189) In *L'Oreal SA and others v Bellure NV and others* Case C-487/07 the CJEU considered tarnishment:

“40 As regards detriment to the repute of the mark, also referred to as ‘tarnishment’ or ‘degradation’, such detriment is caused when the goods or services for which the identical or similar sign is used by the third party may be perceived by the public in such a way that the trade mark's power of attraction is reduced. The likelihood of such detriment may arise in particular from the fact that the goods or services offered by the third party possess a characteristic or a quality which is liable to have a negative impact on the image of the mark.”

190) The goods and services of WN have no inherent characteristic or quality that would have a negative impact or image. Although AI may not allow pornographic apps, there is nothing to suggest that it puts gatekeeper software on its web browser to stop persons looking at pornographic content. There is

nothing to stop pornographers using its software to produce content, there is no restriction from AI in relation to this matter. That someone furnishing pornography may use the goods and services of WN is not reflective of the goods and services of WN or on how they are viewed. The public is well versed in knowing that suppliers of goods and services for use of the Internet are not responsible for the content that is accessed or made accessible through those goods and services. It is not considered that the use of WN's trade marks for the goods and services of the applications would tarnish the reputé or reputation of AI.

191) In *Intel Corporation Inc v CPM United Kingdom Ltd* the CJEU considered the nature of dilution:

“29 As regards, in particular, detriment to the distinctive character of the earlier mark, also referred to as ‘dilution’, ‘whittling away’ or ‘blurring’, such detriment is caused when that mark’s ability to identify the goods or services for which it is registered and used as coming from the proprietor of that mark is weakened, since use of the later mark leads to dispersion of the identity and hold upon the public mind of the earlier mark. That is notably the case when the earlier mark, which used to arouse immediate association with the goods and services for which it is registered, is no longer capable of doing so.”

In the same judgment the CJEU stated:

“77 It follows that proof that the use of the later mark is or would be detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future.”

Henderson J in *32Red Plc v WHG (International) Limited and others* [2011] EWHC 62 (Ch) stated:

“133. Is there evidence of a change in economic behaviour brought about by the use of the Vegas signs? In the nature of things, direct evidence of such a change is likely to be hard to find in cases of the present type, although Mrs F provides a suggestive example of a customer who was nearly persuaded to change her allegiance as a result of a perceived connection between 32Red and 32Vegas. However, I see no reason why I should not have regard to the inherent probabilities of the situation, and in particular to the contrast between the marketing models of the two casinos. The similarity of their names, and the fact that 32Vegas was always operated as one of a number of linked casinos on the carousel model, lead me to conclude that an average online gambler would have

been far readier to switch his allegiance from 32Red to 32Vegas, or to play with 32Vegas in the first place, than he would have been in the absence of such similarity. These are changes in economic behaviour, and I am satisfied on the balance of probabilities that such changes are likely to have occurred to a significant extent.”

192) In relation to the trade marks the subject of application no 2442447, it has been found that there is a high degree of phonetic and conceptual similarity between the trade marks and the trade mark of AI and that there is a reasonable degree of visual similarity between the trade marks. These similarities will bring to mind the trade mark of AI and so create the necessary link. The goods and services of the application are linked to computer technology. Taking into account, the reputation and uniqueness of the APPLE mark and the nature of the respective goods and services for which AI has a reputation, the similarity of the trade marks and the nature of the similarity; it is considered that the use of WN's trade mark would have an effect on the economic behaviour of AI's customers and would dilute the distinctive character of AI's trade mark.

**193) Registration of application no 2442447 would be contrary to section 5(3) of the Act.**

194) In relation to the other two trade marks, all of the factors in the global appreciation of a likelihood of confusion were in favour of AI, save similarity. There are similarities between the trade marks but the sequitur of the finding in relation to the likelihood of confusion is that the trade marks are not similar; otherwise the finding of likelihood of confusion would have had to have gone the other way, taking into account the factors in favour of AI. That trade marks have similarities does not make them similar; it would be unusual for a party to launch proceedings where there are no similarities. It is a requisite under section 5(3) of the Act that the trade marks are similar. There are parallels in this case with *Calvin Klein Trademark Trust v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-254/09 P* where the CJEU considered the issue of similarity and the effects on article 8(5) of Regulation No 40/94

“46 It should be noted in that connection that the similarity of the marks at issue must be assessed from the point of view of the average consumer by referring to the intrinsic qualities of the marks and not to circumstances relating to the conduct of the person applying for a Community trade mark.

47 It must therefore be held that, contrary to the appellant's submissions in the first part of its first ground of appeal, the General Court's analysis is not vitiated by an error of law due to the fact that it failed to take account of alleged wrongful conduct on the part of the trade mark applicant. While such conduct is a particularly significant factor in proceedings brought under Article 51(1)(b) of Regulation No 40/94 – which is not at issue in the

present appeal – it is not, on the other hand, a factor that must be taken into account in opposition proceedings brought under Article 8 of that regulation.

53 As regards the third part of the first ground of appeal, it should be noted, first, that, where there is no similarity between the earlier mark and the mark applied for, the reputation of or the goodwill attaching to the earlier mark and the fact that the goods or services concerned are identical or similar are not sufficient for it to be found that there is a likelihood of confusion between the marks at issue (see, to that effect, Case C-106/03 P *Vedial v OHIM* [2004] ECR I-9573, paragraph 54; Case C-234/06 P *Il Ponte Finanziaria v OHIM* [2007] ECR I-7333, paragraphs 50 and 51; and the judgment of 11 December 2008 in Case C-57/08 P *Gateway v OHIM*, paragraphs 55 and 56).

54 In the judgment under appeal, the General Court found that there was no similarity between the marks at issue. It stated, at paragraph 52 of that judgment, that the visual, phonetic and conceptual examination of the marks shows that the overall impression created by the earlier marks is dominated by the element 'ck' whereas that created by the trade mark applied for is dominated by the element 'creaciones kennya', concluding that the lack of similarity between the signs at issue thus stems from their visual, phonetic and conceptual differences.

56 It must be observed in that connection that, contrary to what appears to be stated at paragraph 39 of the judgment under appeal, the existence of a similarity between two marks does not presuppose that their common component forms the dominant element within the overall impression created by the mark applied for. According to established case-law, in order to assess the similarity of two marks, it is necessary to consider each of the marks as a whole, although that does not rule out the possibility that the overall impression created in the mind of the relevant public by a complex trade mark may, in certain circumstances, be dominated by one or more of its components. However, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element (see *OHIM v Shaker*, paragraphs 41 and 42; the judgment of 20 September 2007 in Case C-193/06 P *Nestlé v OHIM*, paragraphs 42 and 43; and *Aceites del Sur-Coosur v Koipe*, paragraph 62). In that connection, it is sufficient for the common component not to be negligible.

57 However, it is clear that the General Court found, first, that the overall impression created by the mark applied for is dominated by the element 'creaciones kennya', on which the consumer concerned will to a very great extent focus his attention and, second, in particular at paragraph 44 of the judgment under appeal, that the element 'ck' occupies only an ancillary

position in relation to that element, which, in essence, amounts to a conclusion that the element 'ck' in the mark applied for is negligible.

58 Thus, having ruled out, on the basis of a properly conducted analysis, any similarity between the marks at issue, the General Court correctly concluded, at paragraphs 53 to 57 of the judgment under appeal, that, notwithstanding the reputation of the earlier marks and the fact that the goods covered by the marks at issue are identical, there is no likelihood of confusion between the marks.

67 By its second ground of appeal, the appellant complains, in essence, that the General Court incorrectly confined its assessment to an analysis of Article 8(1) of Regulation No 40/94, without examining the appellant's arguments in the light of Article 8(5), and failed to take account of the reputation and goodwill which attaches to the earlier marks in carrying out the assessment required under Article 8(5) of Regulation No 40/94.

68 It should be noted that, in order for Article 8(5) of Regulation No 40/94 to be applicable, the marks at issue must be identical or similar. Consequently, that provision is manifestly inapplicable where, as in the present case, the General Court ruled out any similarity between the marks at issue."

(See also: *Lufthansa AirPlus Servicekarten GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-321/07, *Ferrero SpA v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case C-552/09 P<sup>xxiv</sup>, *Bitburger Brauerei Th. Simon GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Cases T-350/04 to T-352/04 and *Gateway, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-434/05.)

**195) As the trade marks the subject of application nos 2442444 and 2459605 are not similar to APPLE, the grounds of opposition under section 5(3) of the Act are dismissed.**

***Section 5(4)(a) of the Act – passing-off***

196) Mr Engelman, owing to the other grounds of opposition, did not spend a good deal of time on the passing-off ground. It is not considered that AI will be in any better position under section 5(4)(a) than it was under sections 5(2)(b) and 5(3). The trade marks of WN which are not similar will not give rise to a misrepresentation. Consequently, it is not necessary to consider this ground of opposition.

## **Overall result**

**197) Application no 2442447 is to be refused; the grounds of opposition against the other two applications are dismissed.**

## **Reply evidence of AI**

198) Mr Norris submitted that the evidence of AI furnished in reply was not in reply. He stated that WN requested to provide evidence in reply to this but was refused. Mr Norris submitted that , consequently, little weight should be given to this new evidence, particularly in relation to new allegations of fact to which WN had not been able to respond.

199) WN, in a letter dated 3 May 2011, did not request to file an evidential response but requested that the evidence should be disregarded. WN was advised, on 31 May 2011, that the preliminary view of the registrar was that the evidence should remain in the proceedings and that the hearing officer would determine what weight should be given to it.

200) In a letter dated 13 June 2011, WN stated:

“it is against all the principles of justice to allow this evidence to be admitted and to deny the Applicant the chance to reply to it.

We therefore intend to challenge its admissibility and file evidence in reply, in case you continue to admit it.”

201) In a letter dated 13 June 2011, WN was advised by the registrar that the preliminary view was to be maintained. WN was advised that, as the evidence rounds were completed, any request to file further evidence should be made in writing, providing full reasons as to why it should be admitted. WN did not respond to this letter. It had the opportunity to make a formal application to adduce further evidence, which it did not. If it wished to challenge the preliminary view, it could have asked for an interlocutory hearing; it did not. As WN did not take advantage of either of these options, it is not considered that it has any basis for continuing complaint.

202) It is accepted that much of the evidence filed in the second round by AI would not fall within the parameters of evidence in reply as per *Peckitt's Application* [1999] RPC 337. However, the evidence was accepted into the proceedings and has been considered and the appropriate weight given to it.

## **Costs**

203) Mr Engelman submitted that AI should be awarded costs outwith the scale in relation to the requirement for AI to prove its reputation, which he considered

perverse. However, AI claimed a reputation for all of the goods and services of its registrations; something that was not substantiated by any means. The request for proof of use by WN was clearly focused on what its business was and seeking to find if there was clear, blue water between what it was doing and what AI established in relation to use. The request for proof of use in relation to software can hardly be considered perverse taking into account the findings in *Galileo International Technology, LLC v European Union (formerly European Community)*. It is not considered that there is any basis for an award of costs to AI outwith the scale.

204) AI provided a large amount of evidence. The survey, the evidence of Mr Blackett, Mr Wood and Mr Harris were of no assistance. The evidence of Mr Zook was excessive; the sole effect of that evidence was to establish that private individuals and sole traders have websites, something that could have been established in one page. Large parts of the evidence of Mr La Perle were not directed to the issues in play in these proceedings and have the appearance of being a standard format used by AI in proceedings. AI did not comply with Tribunal Practice Notice 5/2008; it did not paginate the original evidence that it furnished and it then supplied bundles for the hearing, after the indices for the case had been sent out by the Intellectual Property Office. AI provided a large amount of evidence that was not pertinent to the proceedings or of no assistance. In the case of the evidence of Mr Blackett, AI took no notice of the judgment of the Court of Appeal in relation to the value of evidence he had supplied in *esure Insurance Limited v Direct Line Insurance Plc*. The furnishing of large amounts of evidence can be oppressive, even if it is not so intended; especially if the parties have unequal resources. The other party has to pay its legal representatives to consider the evidence.

205) Taking into account the nature of the evidence that AI provided, even if it had been successful in all three oppositions, an award of costs would have been made against it. It is considered to make an award of costs outwith the scale to WN. WN has four weeks from the date of the issue of this decision to give a breakdown of costs in relation to the consideration of the evidence of AI and solely in relation to this matter. A supplementary decision will then be made in relation to costs.



206) The appeal period to this decision will run concurrently with the appeal period for the supplementary decision.

**Dated this 1<sup>st</sup> day of February 2012**

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

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<sup>i</sup> Section 6A of the Act reads:

- “(1) This section applies where –
- (a) an application for registration of a trade mark has been published,
  - (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
  - (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.
- (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.
- (3) The use conditions are met if –
- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
  - (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.
- (4) For these purposes –
- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
  - (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.
- (7) Nothing in this section affects –
- (a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4)(relative grounds of refusal on the basis of an earlier right), or
  - (b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

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Under Section 100 of the Act the onus is upon the proprietor of the earlier trade mark(s) to show genuine use:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

<sup>ii</sup> *Phillips-Van Heusen Corp v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-292/01.*

<sup>iii</sup> *Animal Trade Mark* [2004] FSR 19:

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a picky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

<sup>iv</sup> *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32:

"29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

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

<sup>v</sup> The second (iv) under that paragraph number.

<sup>vi</sup> See *ST TRUDO Trade Mark* [1995] RPC 370 and *Rhone-Poulenc Rorer International Holdings Inc and Imclone Systems Inc v Yeda Research and Development Co Ltd v The Comptroller of Patents Designs and Trade Marks* [2006] EHW 160 (Ch).

<sup>vii</sup> *Whirlpool Corporations and others v Kenwood Limited* [2009] EWCA Civ 753 Lloyd LJ:

“There must be an added factor of some kind for that advantage to be categorised as unfair. It may be that, in a case in which advantage can be proved, the unfairness of that advantage can be demonstrated by something other than intention, which was what was shown in *L'Oréal v Bellure*. No additional factor has been identified in this case other than intention.”

<sup>viii</sup> *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* Case C-342/97.

<sup>ix</sup> *Sabel BV v Puma AG* Case C-251/95.

<sup>x</sup> *Sabel BV v Puma AG* Case C-251/95.

<sup>xi</sup> *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97.

<sup>xii</sup> *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

<sup>xiii</sup> *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281.

<sup>xiv</sup> *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267.

<sup>xv</sup> *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 dealt with a non-use issue but are still pertinent to the consideration of the meaning and effect of specifications:

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

<sup>xvi</sup> *Altecnic Ltd's Trade Mark Application* [2002] RPC 34.

<sup>xvii</sup> *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

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<sup>xviii</sup> He considered that the following should be taken into account when assessing the similarity of goods and/or services:

- “(a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

<sup>xix</sup> *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

<sup>xx</sup> *Sabel BV v Puma AG* Case C-251/95.

<sup>xxi</sup> *Rewe Zentral AG v OHIM (LITE)* Case T-79/00.

<sup>xxii</sup> *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97.

<sup>xxiii</sup> *General Motors Corporation v Yplon SA* Case C-375/97.

<sup>xxiv</sup> “54 On the other hand, it is not apparent either from the wording of those provisions or from the case-law that the similarity between the marks at issue must be assessed in a different way, according to whether the assessment is carried out under Article 8(1)(b) of Regulation No 40/94 or under Article 8(5).”