

O-378-14

TRADE MARKS ACT 1994

**In the matters of trade mark application No. 2651029
for the trade mark LIME WOOD in Classes 41, 43 and 44
in the name of Lime Wood Group Limited**

and

**Opposition thereto under No. 400391
by Universal Enterprises Private Limited**

Background

1. On 8 February 2013, Lime Wood Group Limited applied to register the mark LIME WOOD for the following specifications:

Class 41

Entertainment services; leisure and recreation services; provision of sporting and cultural facilities and activities; arranging, organising and conducting of conferences, congresses, seminars, symposia and exhibitions; casino facilities; gaming services; provision of cinema facilities; arranging, organising and conducting of competitions; night club services; health club services; party and events co-ordination and planning; provision of sports facilities; provision of recreation facilities; rental of sports facilities and equipment; sports coaching and instruction services; physical training services; organisation and hosting of wedding celebrations; education and training services; advice, information and consultancy services relating to all the aforesaid services.

Class 43

Hotels services; hotel reservation services; arranging, provision and rental of accommodation; accommodation booking and reservation services; provision of on-line booking services relating to accommodation; rental of meeting rooms; hospitality services (provision of food and drink); provision of hospitality suites; provision of conference and banqueting services; provision of food and drink; bar, bistro, café, canteen and catering services; restaurant services; snack-bar services; public house services; wine bar services; provision of campground and caravan park facilities; child care services; advice, information and consultancy services relating to all the aforesaid services.

Class 44

Hygienic and beauty care services; health spa services; provision of beauty facilities and beauty treatments; beauty salon services; beautician services; hairdressing; massage services; aromatherapy, acupuncture and reflexology services; relaxation therapy services; provision of sauna and steam room services; provision of sun tanning facilities and sun tanning treatments; advice, information and consultancy services relating to all the aforesaid services.

2. On 7 June 2013, Universal Enterprises Private Limited filed notice of opposition to the application, the grounds in summary being:

Under Section 5(2)(b) in that the mark applied for is similar to the opponent's earlier trade mark and is sought to be registered for identical or similar services.

Under Section 5(4)(a) in that the law of passing off protects an earlier unregistered trade mark LIME SPAS.

3. In respect of both grounds the opponent's objection is against all of the services in Classes 43 and 44 of the application; Class 41 is not at issue. In my determination of this case I propose to focus on the services contained in the corresponding Classes 43 and 44 of the opponent's earlier mark as, it being admitted they involve either identical or similar services. Should they fail here, the opponent will not be in any better position in respect of the registration of the earlier mark for goods in Class 3 or services in Class 35. Details of the earlier mark relied upon are as follows:

Number	Mark	Specifications
2494657	LIME SPAS	Class 3 Bleaching preparations and other substances for laundry use; soaps; perfumery; essential oils; cosmetics; hair lotions; dentifrices; deodorants for personal use; air perfuming preparations; aftershave lotion; aftershave preparations; anti-wrinkle cream; aromatic oil; aromatherapies; bath products; beauty creams; beauty preparations; beauty products; beauty masks; body butter; blusher; body oils; bronzing creams; non-medicated body care products; essential oils for the skin; enamel for nails; emery boards; facial creams; facial masks; facial scrubs; false nails; false eyelashes; hair moisturisers; hair colourants; hair care products; hair removing preparations; hair styling preparations; hand cream; hand care preparations; make-up; nail treatments; nail polish; perfumes; perfumed creams; perfumed soaps; massage oils; self tanning creams; self tanning preparations; preparations for teeth cleaning.

Class 35

Retail services in connection with the sale of beauty products, hair care products, skin care products and holistic remedies in beauty spas and health spas; advertising services in relation to beauty spas and health spas.

Class 43

Catering and bar services for providing food and drink in relation to hotels and resorts; temporary accommodation; restaurant, bar and catering services in hotels and resorts; provision of holiday accommodation; booking and reservation services for restaurants and holiday accommodation; crèche services; agency services for booking hotel accommodation; arranging hotel reservations; arranging of accommodation for holiday makers; arranging of wedding receptions; arranging rooms in hotels; arranging rooms in resorts; bar services; booking services for hotels; business catering services; catering; coffee shop services; day care services for children; electronic information services relating to hotels; holiday accommodation; hotel accommodation services; night club services; provision of hotel venues for meetings; provision of hotel accommodation; provision of information

relating to hotels; resort hotel services; snack bar services; wine bar services in hotels and resorts; all of the aforesaid in connection with beauty spas and health spas.

Class 44

Beauty salon services; hairdressing salon services; sauna facilities; sun tanning salon services; beauty therapy services; beauty therapy treatments; spa services; beauty salons; electrolysis for cosmetic purposes; facial beauty treatment services; health care relating to relaxation services; health care; health resort services; health spa services; hydrotherapy; massage services; medical clinics; medial spa services; reflexology; removal of body cellulite; reiki; therapeutic treatment of the face and body; Turkish baths; weight control treatment; advisory services relating to nutrition; nutritional consultancy; heat therapy; physical therapy; electrotherapy services; health care relating to relaxation therapy; health care relating to therapeutic massage; counselling relating to diet; counselling relating to nutrition; lifestyle counselling and consultancy; psychological counselling; medical counselling; cosmetic surgery; hygienic and beauty care for human beings or animals; dentistry services; medical analysis for the diagnosis and treatment of persons.

4. The applicant denies both of the grounds, providing their reasoning for doing so in a counterstatement received on 27 August 2013. Both parties filed evidence, with further submissions provided by the applicants. Neither party requested to be heard. This decision follows a careful consideration of all the submitted papers.

The Opponent's Evidence

5. This consists of two Witness Statements from Jo Pritchard, an Associate employed by TLT LLP, the opponent's representatives in these proceedings. Ms Pritchard confirms that she is authorised to make the Witness Statement on the Opponent's behalf. The first Witness Statement is dated 28 November 2013, Ms Pritchard stating that save where indicated, the facts contained are within her knowledge.

6. Ms Pritchard begins by referring to Exhibit JP1, which at pages 1-20 consists of excerpts from the Opponent's website, with pages 21 – 29 consisting of pages extracted from the Applicant's individual and Group websites, and also its New Forest Hotel website. These downloads were made at various times in November 2013. Ms Pritchard highlights that the exhibit shows the overlap in activities, namely that both parties offer hotel services targeted at the luxury end of the market, and spa facilities within that setting. Ms Pritchard says that both offer their services in a number of jurisdictions, with customers being used

to seeing them operate in a number of countries which is typical of their market. Both target customers in the UK with their respective LIME brands.

7. The Opponent's section of the exhibit shows them offering "luxury beauty spa" treatments at Lime Spa facilities in the Maldives and Dubai. The treatments are provided under names such as "SUBLIME", "LIME Light Crystal Ritual", "Privately Lime", "LIME Signature Treatments and bespoke massage", "SubLime", and "LIME after dark". The material relating to the applicant's services shows them to be offering "a personal collection of small luxury lifestyle hotels, restaurants and chalets" at "The Pig located outside of Brockenhurst, "Le Portetta" lofts in the New Forest, "Le Portetta" lofts and lodges and "Chalets De La Van" near Courchevel", and the Lime Wood Hotel described as "a new luxury country house hotel and spa" recently opened in the New Forest. The Lime Wood hotel (also mentioned as "Limewood" offers a range of treatments and spa facilities as packages and on a membership basis.

8. Ms Pritchard refers to having done a search on Bing for "luxury spa Lime" saying that this revealed websites operated by both parties in the top ten results, and in the top 20 for a similar search on Google. A Google search for "lime spas", the opponent's mark, returned pages within the opponent's site as the first four results with the applicant's site as the fifth result. Details of the searches are shown as pages 30 to 33 of Exhibit JP1. I note that amongst the results returned in the Bing search is an entry for "LimeHouse Spa described as "Durham's Luxury Day Spa."

9. Ms Pritchard next addresses the respective arguments on the similarity or otherwise of the contested and earlier trade marks, and the services for which each is registered. Particular mention is made of the fact that the "SPAS" element of the opponent's earlier mark is descriptive of the services for which it is registered. Ms Pritchard says that the same could be said of the "WOOD" element of the applicant's mark because the LIME WOOD HOTEL is "located in a forest or wood" and connected with "the current consumer enthusiasm for back to nature experiences", or taken to be a reference to a spa "located in a wood" or a spa pool "constructed...of wooden cladding". Accordingly, the WOOD element of the applicant's mark should be excluded for the purpose of analysis, making the marks either identical, or in the alternative "highly similar for identical services", so as to create a likelihood of confusion.

10. Ms Pritchard refers to the applicant having denied that the opponent enjoy exclusivity in relation to LIME for the connected services, saying that the Registry will not ordinarily review the register to determine such a question as part of the decision making process. Nevertheless, Ms Pritchard says that the only other registration containing the word LIME for beauty and health spa services is "JAMAICAN MANGO & LIME, from which she says that the opponent enjoys effective exclusivity on the register which supports their contention that the mark has a high level of distinctiveness.

11. Ms Pritchard states that the opponent provides and promotes its hotel and spa services to consumers located both within the UK and overseas, and have used the mark since August 2008 in relation to the services listed in Classes 43 and 44. Although not falling within the proof of use requirements, Ms Pritchard refers to the use shown in pages 1-20 of Exhibit JP1, consisting of the extracts from their website previously referred to, and a selection of reviews from the UK Tripadvisor website found in pages 34 to 77 of the exhibit.

12. In relation to the lack of any evidence of confusion Ms Pritchard refers to the guidance in Chapter 7 of the Manual of Trade Mark Practice, and to the decision in *The European Limited v The Economist Newspaper Ltd* (1998) FSR 283 which, at paragraph 291, stated that “the absence of evidence of actual confusion is rarely significant”.

13. Ms Pritchard says that substantial investment in the services and their promotion under the LIME SPA brand, particularly through marketing activities and its strategic networking with promotional partners, has resulted in the acquisition of considerable goodwill and reputation for outstanding quality and innovative services. In support she refers to pages 78 and 79 of Exhibit JP1 which list the “per AQUUM AWARDS AND ACCOLADES”. Ms Pritchard highlights those awarded by the Sunday Times Style Spa Guide, Tatler and Vogue. I can see no reference relating to the word LIME.

14. Ms Pritchard concludes by referring to the potential for misrepresentation and damage, and by summarising the arguments supporting the opponent’s case.

The Applicant’s evidence

15. This consists of two Witness Statements. The first is dated 28 January 2014 and comes from John Brendan Peacock, a partner in Potter Clarkson LLP. Mr Peacock says that all information contained within is either known to him personally, has been obtained from information and the records of his company, or from records provided by the applicant. Mr Peacock begins by setting out the details of the opposed application and those relating to the earlier rights relied upon by the opponents.

16. Mr Peacock goes on to comment on the Witness Statement of Ms Pritchard, specifically challenging the lack of evidence of investment in services, the promotion under the LIME SPA brand, the amount spent on promotion, marketing and advertising, and any data relating to revenue earned. He questions her knowledge in respect of the statements made in relation to the applicant’s activities, mentions inaccuracies in her statements regarding the jurisdictions where the applicant is said to provide their services, where the applicants operate under “The Lime Hotel” or offered their spa and leisure services as “the Lime Spa”. Mr Peacock also highlights that the pages forming the exhibit JP1 post-date the relevant date.

17. Mr Peacock sets out the arguments and case law he considers relevant in respect of a comparison of the signs and their respective goods or services and the likelihood of confusion in an opposition under Section 5(2)(b), which I will refer to later in my determination of the issues. Connected to this he provides Exhibit JBP-1 which consists of a copy of the judgment in *Sabel v Puma* Case C-251/95, Exhibit JBP-2 consisting of a copy of the *Canon v MGM* judgment Case 39/97 and as JBP-3 consisting of a copy of *Lloyd Schufabrik v Mayer* Case C-342-97. Exhibit JBP-4 consists of extracts showing the use of limes as an ingredient in spa treatments and products. Exhibit JBP5 consists of a copy of the Examination Report issued by the office along with extracts from the UK and CTM register entries for “LIME formative marks shown as Exhibits JBP-6. Exhibit JBP-7 gives details illustrating the usages of LIME formative marks in the UK in relation to the services at issue.

18. He goes to the ground under Section 5(4)(a) stating that as shown in his arguments the opponent has failed to provide any evidence to support a claim to their mark having an enhanced distinctiveness, and similarly, no protectable goodwill in the UK. In the alternative, Mr Peacock says that if there is any goodwill, it is located in 2 territories

outside of the UK, specifically the Maldives and Dubai. He concludes by denying any risk of misrepresentation, confusion and/or damage.

19. The second Witness Statement provided on behalf of the applicant is dated 28 January 2014 and comes from Michael Rice, Chief Financial Officer of Lime Wood Group Limited, a position he has held since 2008. Mr Rice confirms that the information contained in his statement comes from his own knowledge of the applicant's business and activities, or has been obtained from information held by, or in the records of, the applicant.

20. Mr Rice begins by confirming that the applicant's LIME WOOD trade mark has been in use in the UK since 2009 in relation to the provision of hotel, restaurant, leisure and related services, and that they currently own and operate a "prestigious, luxurious hotel and leisure facility called LIME WOOD, details of which can be found on their website www.limewoodhotel.co.uk. Exhibit MR1 consists of images and information concerning the applicant's LIME WOOD branding and services. This shows signage for the hotel, depicting the words LIME and WOOD separated by a figurative element. Most significant emphasis is placed on food and dining, followed by accommodation and a "pamper" spa offered under the name The Herb House. With the exception of usage in website addresses the pages consistently refer to the hotel as LIME WOOD.

21. Mr Rice goes on to give more detail of the Herb House, confirming that this has been in operation since 2010. Exhibit MR2 shows this to include a range of spa and beauty facilities and treatments. Where referred to, LIME WOOD is shown either in the form on the signage or as two separate words.

22. Mr Rice confirms that the hotel in the New Forest is the only location from which the applicant offers its services; they do not provide services under the LIME WOOD trade mark outside of the UK. He further confirms that the applicant has always used its trade mark as LIME WOOD, and has never been abbreviated to LIME, either in the form "The Lime Hotel" or as the "Lime Spa".

Opponent's Evidence in Reply

23. This consists of a second Witness Statement from Jo Pritchard. This is dated 28 March 2013, Ms Pritchard stating that save where indicated the facts contained are within her knowledge.

24. Ms Pritchard refers to the statement and evidence that the applicant's hotel does not, and has never operated a spa facility under the LIME brand, and that it operates providing its services under the LIME WOOD brand from just one location, and only within the UK. Ms Pritchard says that the contrary is true, providing an extract showing the "About us" page from the applicant's website. This mentions premises in the UK and France, saying that in the UK "...there are two hotels in the New Forest National Park – Lime Wood and Whitley Ridge". It then refers to hotels and lodges in France, which Ms Pritchard shows by a further website extract offer "luxury spa facilities". However, whilst the page does show spa services as being available, these are offered under the name of the main establishment, in this case Le Portetta, there being no mention of "LIME".

25. Ms Prichard next refers to the Statement by Michael Rice, in particular where he says that the spa is not known as "Lime spa" and that the applicant does not use the LIME WOOD brand in connection with spa services. Ms Prichard says that it is clear from the Applicant's awards page that awards are made to Lime Wood, and that as the award

bodies and presumably the public observing the awards will link the hotel name with the spa services. Specifically in relation to Page 16 of Mr Rice's Statement, Ms Pritchard says that there is little distinction between the spa services and the LIME brand, referring in particular to Mr Rice's mention of there being "a beautiful spa here at Lime Wood". Apart from countering the arguments concerning the opponent's resorts being outside of the UK by referring to their use by UK based consumers, the remainder of the Witness Statement concerns submissions on aspects of the case. Whilst I do not summarise these I will of course take them fully into account in my determination of the case.

Decision

Section 5(2)(b) – case law

26. The standard authorities are those as set out in the decision of Mr Geoffrey Hobbs QC in *La Chemise Lacoste SA v Baker Street Clothing Ltd* - BL O/330/10 (approved by Arnold J in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2011] FSR 11), which are (by reference to the CJEU cases mentioned) as indicated below. I draw attention to the fact that these include the three cases referred to by Mr Peacock in his Witness Statement.

The CJEU cases

27. *Sabel BV v Puma AG* [1998] RPC 199; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77; *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723; *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-6/01; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04; *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P.

The principles

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

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

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

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

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

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

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

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

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

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

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion.”

The average consumer and nature of the purchasing decision

28. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ services and then to determine the manner in which these consumers will select the services in the course of trade.

29. The services listed in the respective specifications in Class 43 essentially concern two traders providing accommodation, the usual range of hotel services for overnight stays, meetings and events, and the provision of food and drink in hotels, restaurants, cafeterias, bars, nightclubs, etc. Along with these they provide the ancillary services to facilitate booking and arrangement of the aforesaid, with additional services such as crèche facilities and child care. In the case of the opponent there is a qualification that their services are provided “...in connection with beauty spas and health spas”. Whilst that has the effect of restricting their consumer group, the applicant’s services are not qualified in any way so notionally also include those provided in connection with spas.

30. Similarly mention is made that the services provided are high end, luxury ones which may be the case, but the required focus is on the services as listed in the specifications and here there is no such mention. I am mindful of the findings of the Court of First Instance (now General Court) in *Saint-Gobain SA v OHIM* Case T-364/05 where it said:

“67... it is important to reiterate that the comparison between the goods in question is to be made on the basis of the description of the goods set out in the registration of the earlier mark. That description in no way limits the methods by which the goods covered by the earlier mark are likely to be marketed.”

I also bear in mind the findings of the same court in the case of *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).”

31. The effect of these decisions is that, in essence, I have to make my comparison not on the basis of what the parties may already do or intend to do in the future or what might appear on particular websites. Rather, I must consider matters on a notional basis taking into account the full specifications of goods and services as registered or applied for by the respective parties.

32. So the conclusion must be that the average consumers of the respective services are the same.

33. Staying in a hotel and/or eating out in restaurants will be something that the public at large will do, albeit for most only once in a while. Along with price, the location and facilities of the hotel, the type of food and menu choices will be important. The selection will be made with a deal of care and attention, often after doing comparative research such as via the internet.

34. The considerations when looking for a venue for meetings or a celebratory event such as a wedding will be similar, although here the location will be a stronger influence in the selection process so as to ensure convenience for those attending. Where local venues are concerned the consumer will most likely telephone, receive a brochure and follow this up with a visit to speak with the person designated to deal with events. Where the venue is more distant, including overseas, the selection will likely be by visual means on the internet or through brochures. In both cases there is also the potential for “word of mouth” whereby recommendations from friends or relatives are passed on. Whether at a local restaurant, a small B&B or a high-end hotel, care will be paid in making the choice, particularly in the latter case where significant cost can be involved.

35. Less formal eating and drinking such as in cafes, bars and the like, or going to a nightclub are likely to be more frequent activities for the public at large, albeit still selected with a degree of care, and more so where there is exclusivity or higher cost.

36. Whether provided within the context of a hotel, or at large, the nature of the service means that the consumers of crèche and childcare services will self-evidently be the public at large having children or childcare responsibilities. If selected within the hotel environment the choice will most likely be influenced by convenience rather than as a considered and compared purchase. Otherwise, the additional factors of reputation and location will come into play, making the decision a more deliberated process.

37. The services listed in the respective specifications in Class 44 are all to do with aspects of beauty, health, therapy and relaxation, and not being restricted in any way will notionally will be available to the same consumers as mentioned for the services in Class 43, provided through the same channels. The availability of spa facilities and treatments at leisure centres, and in local country hotels has brought the activity within the knowledge and reach of all. As can be seen from the evidence, hotels promote spa packages to the public, both for therapy and as part of the preparation for events such as weddings. Therapeutic and beauty treatments will likely be selected from a menu list where the consumer has detailed knowledge, or through discussion with a suitably qualified or informed person. Where the availability of spa facilities is part of the purchasing decision, these will be selected with a higher than average degree of attention, particularly when therapeutic and beauty treatments are sought.

Comparison of the respective services

38. In assessing the similarity of the respective services, it is necessary to apply the approach advocated by case law and to take account of all the relevant factors relating to the goods in the respective specifications. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at para 23 of the judgment:

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

39. Other factors have been identified in *British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281, such as the users and the channels of trade.

40. Both parties are operating in the same area so it is not surprising that the respective specifications are accepted by the applicants as covering identical and similar services (see para 46 of the Witness Statement of John Peacock and para 24 of the applicant’s written submissions). In fact the services are not just similar they can be broken into corresponding and identical groups as shown below:

Applicant’s specification – Class 43	Opponent’s specification – Class 43
Hotel services for as the provision of rooms for overnight accommodation, conferences, meetings and events, and the ancillary services that facilitate their reservation.	Provision of hotel accommodation; Holiday, hotel and accommodation services; arranging hotel reservations; arranging of rooms in hotels and resorts, arranging accommodation for holiday makers; provision of hotel venues for meetings, arranging of wedding receptions.
The provision/rental of accommodation (at large), and	Temporary accommodation, provision of holiday

<p>the service of arranging, booking or reserving such accommodation. Provision of campground and caravan park facilities</p> <p>The provision of food and drink, including in restaurants, bars, cafés, snack-bars, canteens, hospitality suites, and for conferences and banquets, public houses and wine bars.</p> <p>Child care services</p> <p>Advice, information and consultancy relating to all these services</p>	<p>accommodation, booking and reservation services for holiday accommodation, agency services for booking hotel</p> <p>Catering and bar services for providing food and drink in relation to hotels and resorts; booking and reservation services for restaurants, restaurant, bar and catering services in hotels and resorts, bar services; business catering services, catering, coffee shop services, night club services; snack bar services; wine bar services in hotels</p> <p>Crèche services; day care services for children;</p> <p>Provision of information relating to hotels and resorts.</p> <p>All of the aforesaid in connection with beauty spas and health spas.</p>
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Applicant' specification – Class 44	Opponent's specification – Class 44
Hygienic and beauty care services	Hygienic and beauty care for human beings or animals
Health spa services	spa services
Provision of beauty facilities and beauty treatments; beauty salon services; beautician services.	Beauty salon services, beauty therapy services; beauty therapy treatments;; beauty salons.
Hairdressing	Hairdressing salon services
Massage services	Massage services, health care relating to therapeutic massage
Aromatherapy, acupuncture and reflexology services.	Reflexology, health care; health resort services, medical clinics, physical therapy.
Relaxation therapy services.	Health care relating to relaxation therapy.
Provision of sauna and steam room services.	Sauna facilities, health spa services
Provision of sun tanning facilities and sun tanning treatments.	Sun tanning salon services
Advice, information and consultancy services relating to all the aforesaid services.	lifestyle counselling and consultancy, medical counselling;

41. This comparison shows that all of the services for which the applicant seeks registration are either specifically mentioned (with or without variations in form) or are encompassed in a general description. With respect to the latter I am mindful of the decision in *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-133/05 in which the General Court said:

“29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category

designated by the earlier mark (Case T-104/01 Oberhauser v OHIM – Petit Liberto (Fifties) [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 Vedral v OHIM – France Distribution (HUBERT) [2002] ECR II-5275, paragraphs 43 and 44; and Case T- 10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42).”

Comparison of trade marks

42. It is well established that the average consumer is considered to be reasonably well informed, circumspect and observant but perceives marks as a whole and does not pause to analyse their various details. In addition, they rarely have the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he/she has kept in his or her mind. In reaching a conclusion on similarity I must compare the respective trade marks from the visual, aural and conceptual perspectives identifying, where appropriate, what I consider to be the distinctive and dominant elements of the respective marks.

Distinctive and dominant elements

43. The distinctive character of a mark can be appraised only, first, by reference to the services for which it is registered and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. 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 services for which it has been registered as coming from a particular undertaking and thus to distinguish these from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

44. The opponent’s mark consists of the words “LIME SPAS” and the applicant’s mark being the words “LIME WOOD”. Both are composed of ordinary English words which the online Oxford English Dictionary gives the following meanings:

LIME	1 (also quicklime) [<i>mass noun</i>] A white caustic alkaline substance consisting of calcium oxide, which is obtained by heating limestone and which combines with water with the production of much heat.
	<p>1.1 (also slaked lime) A white alkaline substance consisting of calcium hydroxide, made by adding water to quicklime and used in traditional building methods to make plaster, mortar, and limewash.</p> <p>1.2 (In general use) any of a number of calcium compounds, especially calcium hydroxide, used as an additive to soil or water.</p>
	<p>2. A rounded citrus fruit similar to a lemon but greener, smaller, and with a distinctive acid flavour:</p> <p>2.1 [<i>mass noun</i>] A drink made from or flavoured with lime juice,</p> <p>2.2 (also lime tree) The evergreen citrus tree which produces limes, widely cultivated in warm climates.</p>

	3 (also lime green) [<i>mass noun</i>] A bright light green colour like that of a lime.
	4. A deciduous tree with heart-shaped leaves and fragrant yellowish blossom, native to north temperate regions. The pale timber is used for carving and inexpensive furniture. Also called linden.

SPA(S)	1 A mineral spring considered to have health-giving properties:
	1.1 A place or resort with a mineral spring.
	1.2 A commercial establishment offering health and beauty treatment through such means as steam baths, exercise equipment, and massage.
	2 (also spa bath or pool) A bath containing hot aerated water.

WOOD	1 [<i>mass noun</i>] The hard fibrous material that forms the main substance of the trunk or branches of a tree or shrub, used for fuel or timber
	1.1 (the wood) Wooden barrels used for storing alcoholic drinks: <i>wines from the wood</i>
	1.2 [<i>count noun</i>] A golf club with a wooden or other head that is relatively broad from face to back (often with a numeral indicating the degree to which the face is angled to loft the ball).
	1.3 [<i>count noun</i>] <i>Golf</i> A shot made with a wood: <i>he's hitting a wood for his second shot</i>
	1.4 another term for bowl.
	2 (also woods) An area of land, smaller than a forest, that is covered with growing trees:

45. Where, as here, the marks are composed of two words, each having a number of possible meanings, the consumer will be guided towards one or the other according to which is the most familiar, and the most sensible combination having regard to the context in which the words are being used.

46. I do not believe there can be any dispute that the word "SPAS" is directly descriptive, either of facilities offering health and beauty treatments, whether as a service on its own, or within the context of another commercial activity such as a hotel, resort etc. For services such as the arrangement and provision of rooms for accommodation and events, catering and bar services, child care services and the provision on information the word SPA(S) will have no direct descriptive meaning, but will suggest to the consumer that services provided by a spa are available or provided, which is exactly what the opponent's specification says.

47. When used in conjunction with “SPAS” the word “LIME” is most unlikely to bring to mind “calcium oxide/hydroxide”. This is not, I would say, the most familiar meaning, and if the consumer did know it as the substance it seems unlikely that they would associate it with spas and spa treatments given that it is caustic. Similarly, although the colour meaning of LIME (green) is well known, it does not seem likely that anyone would expect the spa or its facilities would be of a particular colour, let alone one so colourfully bright.

48. As can be seen from the exhibits provided by John Peacock, the lime fruit and its oils are used for their health giving and healing properties (JBP4 page 45). It is therefore perhaps not surprising that the exhibit also shows that lime is used as an ingredient in “spa treatments (see page 47 *et seq*), not only those sold in high-end hotels/spas but also by high street and online traders. These pages are not dated but given the mention of “...traditional healers in the tropics have used lime, its flowers, juice and pulp for centuries...” it does not seem unreasonable to infer that they reflect the situation at the relevant date less than a year previous. I also note that in the evidence from Ms Pritchard resulting from her internet searches (Exhibit JP1 page 30) there are references to a “Lime and coconut milk spa ritual” and a “Ginger and lime lymphatic booster – luxury spa house signature therapies.” Although dated as having been obtained after the relevant date, a fact mentioned in the applicant’s submissions, for the same reasons I consider it reasonable to accept that they are indicative of the position as at the relevant date. Accordingly, I accept that the reasonably well informed and circumspect consumer is likely to know of the use of lime in spa and beauty/health treatments and the words LIME in conjunction with SPA will bring this to mind.

49. However, the consideration is not in respect of the use of LIME in relation to goods used in a spa and its treatments, but rather the services and treatments themselves. Given its use as an ingredient in goods used in spas (or treatments of the sort provided in spas) it seems likely that the consumer will make a connection in relation to the treatments provided as part of the service and the facilities that provide such treatments. The LIME element in LIME SPAS should therefore be taken as having, at a below average degree of distinctiveness. Given the direct descriptiveness of SPAS, LIME must be regarded as the dominant element. For the activities of lifestyle and medical counselling the word LIME is not so obviously descriptive but may still feature in the therapeutic delivery of such services and should be regarded as having at best an average distinctive character.

50. In respect of the applicant’s mark, Ms Pritchard says that the “WOOD” element is descriptive of the services for which it is registered. Her argument is that the LIME WOOD hotel is “located in a forest or wood” and with “the current consumer enthusiasm for back to nature experiences” the consumer will take the WOOD element to be a reference to a spa “located in a wood” or a spa pool “constructed...of wooden cladding”. Accordingly, the WOOD element of the applicant’s mark should be excluded for the purpose of analysis, making the marks either identical, or in the alternative, “highly similar for identical services”, and consequently creates a likelihood of confusion.

51. The potential for consumers to take the word WOOD as a reference to the hotel being located in forest is not so unlikely as to be dismissed out of hand. However, I agree with the applicant’s submission that to extend this to say WOOD is descriptive of the services is stretching the point. The dictionary references say that the wood of the lime tree is used for carving and inexpensive furniture. Accordingly, the words have a composite meaning and therefore hang together. Even if the public isolated the word WOOD and associated it with the location of the hotel, this does not make WOOD descriptive of the services, let alone “negligible”.

52. Whilst the earlier arguments on the descriptive relevance of LIME in respect of the services apply equally here, I take that view that the words LIME WOOD hang together to create a whole with no discernible dominant part.

Reputation and enhanced distinctiveness

53. The evidence shows the opponent to provide LIME treatments at “luxury facilities” in the Maldives and Dubai. Although located outside of the UK, Ms Pritchard confirms there has been promotion in the UK and that the opponent has used its LIME SPAS mark since August 2008 in relation to the services listed. A selection of reviews from the UK Tripadvisor website and the awards and accolades from by publications such as the Sunday Times Style Spa Guide, Tatler and Vogue under the “Per AQUUM Awards and Accolades mention Lime Spa in the context of at the “...Huvafen Fushi” and “...Desert Palm Resort & Spa”. Setting aside that all but a few of the Tripadvisor reviews post-date the relevant date, these are under the resort names, and unlike with previous parts of the exhibit, no mention of the LIME (SPAS) is drawn to my attention. Whilst this is all indicative that activities might have created an awareness of the opponent’s facilities and services amongst UK consumers, as highlighted by Mr Pritchard, there is an absence of the detail necessary to gauge the impact, such as the method and mode of any promotion, to whom and on what scale over what period of time. Accordingly I do not see that I can infer that there is a reputation that has added to the distinctiveness of the opponent’s mark.

Visual comparison

54. The respective marks both have LIME as an element and, being the first part of the respective marks which is generally accepted as being of most eye-catching significance, creates a strong visual similarity. The second elements of the marks (SPAS and WOOD) are of the same length but, apart from both being in upper case, otherwise have no appearance features in common. It is also relevant that as these are words composed of only four letters, the shortness makes the differences stand out more than would be the case with longer words. This results in the marks as a whole being visually similar to a reasonable degree.

Aural similarity

55. It is an accepted principle that most care and attention is placed on the enunciation of the beginnings of words, so given that the respective marks both have LIME as the first word it is reasonable to expect there to be a strong aural similarity. Of course LIME is but one of the words and is separated, so unless the consumer will disregard the second word in the applicant’s mark (which I see no reason for them to do) the consideration has to be extended to the sound of the mark as a whole. The evidence shows that the opponent’s services are not referred to as LIME, but as “LIME SPA”, including in website addresses such as “desertpalm.peraquum.com/LIME-spa/default.aspx” and in the Per Aquum awards and Accolades”.

56. The pronunciation in the transition from “LIME” to “SPA/S” will be hard and distinct whereas from “LIME” to “WOOD” the sound will be softer as if merged into “Limewood” which is how it is sometimes referred to (See page 30 of Exhibit JP1). This results in the marks as a whole having aural similarities but no more than to an average degree. Even if it were to be referred to as the LIME WOOD SPA this would not move the applicant’s mark any closer in sound.

Conceptual similarity

57. If the respective marks were just the word LIME there could be no argument as to the conceptual identity. However, each has a second word that has the potential to influence the context. In the case of the opponent's mark this could be that the SPA uses lime treatments and therapies, whereas the addition of WOOD could, for example suggest a location within a lime-tree forest. So given that both marks include the word LIME there must be some connection in idea, but as a whole this is not close. Even if taken as the LIME WOOD spa this would not bring the ideas much, if any closer together.

Likelihood of confusion

58. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater or lesser degree of similarity between the respective goods and services. It is also necessary to take account of the distinctive character of the opponent's earlier trade mark as the more distinctive this trade mark is the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and that the average consumer rarely has the opportunity to make direct comparisons and must instead rely upon the imperfect picture of the respective trade marks that the consumer will have retained in their mind.

59. Earlier in this decision I concluded that: (i) the average consumer for most of the respective services will be a particular, careful or knowledgeable public, attributes which to my mind reduce the potential for imperfect recollection; (ii) The selection of services related to hotel, spa, restaurant and events will be by visual means from catalogues, the internet and/or by word of mouth and personal visit; (iii) There will be at least an average degree of attention in selection which will significantly increase where the requirement is bespoke, celebratory or higher cost; (iv) The opponent's trade mark is visually, aurally and conceptually identical in its dominant distinctive element to the first element of the applicant's mark, but as a whole the competing marks are not highly similar; (iv) The opponent's earlier trade mark has an inherent distinctive character which is below, and at best average for most of the services in issue. (v) There is insufficient information to be able to assess the existence of any reputation, let alone to say that any distinctive character has been enhanced as a result; (vi) The services at issue are identical.

Conclusion

60. On balance I arrive at the view that there is insufficient grounds on which to be able to conclude that there is a likelihood of confusion and the ground under Section 5(2)(b) fails.

Section 5(4)(a) – Passing Off

61. An allegation under Section 5(4)(a) constitutes a ground of opposition where the use of the mark in question is liable to be prevented:

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

62. The elements of passing-off, often referred to as the classic trinity were summarised in *Reckitt & Colman Products Ltd v Borden Inc* [1990] R.P.C.341, Lord Oliver setting the position as follows:

“The law of passing off can be summarised in one short general proposition – no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff... Thirdly he must demonstrate that he suffers, or in a quia timet action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

63. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223 as:

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

64. To qualify for protection under the law of passing-off, any goodwill must be of more than a trivial nature (See *Hart v Relentless Records* [2002] EWHC 1984), but being a small player does not prevent the law of passing-off from being relied upon (See *Stannard v Reay* [1967] FSR 140, *Teleworks v Telework Group* [2002] RPC 27 and *Stacey v 2020 Communications* [1991] FSR 49).

65. The test for misrepresentation was explained in *Reckitt & Colman Products Ltd v Borden Inc* as follows:

“Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff”

66. In terms of misrepresentation, I must be satisfied that the goods offered under the applicant's mark would be taken (or likely to be taken) by a substantial number of the opponent's customers or potential customers to be the responsibility of the opponent (or

that there is some form of connection between the opponent and the applicant). Although an intention to misrepresent would be a highly relevant factor, it is not a prerequisite. Misrepresentation can be found in innocent circumstances.

67.

68. In relation to damage, although a direct loss of sales is often the most obvious form of damage to consider, damage can arise in other ways. In *Maslyukov v Diageo Distilling Ltd* [2010] EWHC 443 (Ch) Arnold J stated:

“85 Secondly, counsel submitted that the hearing officer had wrongly failed to recognise that damage resulting from Diegeo's loss of control over the marks, including erosion of distinctiveness of the marks, was sufficient damage to sustain a passing off action, as shown by the following passage from McAlpine at [20] which the hearing officer himself quoted at para.128 of the decision:

“When it comes to considering damage, the law is not so naïve as to confine the damage to directly provable losses of sales, or ‘direct sale for sale substitution’.

The law recognises that damage from wrongful association can be wider than that. Thus in *Ewing v Buttercup Margarine Ltd (1917) 34 R.P.C. 232* Warrington L.J. said:

‘To induce the belief that my business is a branch of another man's business may do that other man damage in all kinds of ways. The quality of the goods I sell; the kind of business I do; the credit or otherwise which I might enjoy. All those things may immensely injure the other man, who is assumed wrongly to be associated with me.’ In so saying, he was not limiting the kinds of potential damage to those listed by him. Rather, he was indicating that the subtleties of the effect of passing off extend into effects that are more subtle than merely sales lost to a passing off competitor.

In *Associated Newspapers Ltd v Express Newspapers* [2003] F.S.R. 909 929 Laddie J. cited this passage, referred to other cases and went on say:

at
to

‘In all these cases [that is to say, the *Clock Ltd* case referred to above and *Harrods v Harrodian School* [1996] R.P.C. 679], direct sale for sale substitution is unlikely or impossible. Nevertheless the damage to the claimant can be substantial and invidious since the defendant's activities may remove from the claimant his ability to control and develop as he wishes the reputation in his mark. Thus, for a long time, the common law has protected a trader from the risk of false association as it has against the risk of more conventional goods for goods confusion.’

The same judge expressed himself more picturesquely, but equally helpfully, in *Irvine v Talksport Ltd* [2002] 1 W.L.R. 2355 at 2366. Having pointed out the more familiar, and easier, case of a defendant selling inferior goods in substitution for the claimant's and the consequential damage, he went on to say:

But goodwill will be protected even if there is no immediate damage in the above sense. For example, it has long been recognised that a defendant cannot avoid a finding of passing off by showing that his goods or services are of as good or better quality than the claimant's. In such a case, although the defendant may not damage the goodwill as such, what he does is damage the value of the goodwill to the claimant because, instead of benefiting from exclusive rights to his property, the latter now finds that someone else is squatting on it. It is for the owner of goodwill to maintain, raise or lower the quality of his reputation or decide who, if anyone, can use it alongside him. The ability to do that is compromised if another can use the reputation or goodwill without his permission and as he likes. Thus *Fortnum and Mason* is no more entitled to use the name FW Woolworth than FW Woolworth is entitled to use the name Fortnum and Mason ...' 'The law will vindicate the claimant's exclusive right to the reputation or goodwill. It will not allow others so to use goodwill as to reduce, blur or diminish its exclusivity.' (at 2368)

In *Taittinger SA v Allbev Ltd* [1994] 4 All ER 75 at 88, Peter Gibson L.J. acknowledged that:

'Erosion of the distinctiveness of the name champagne in this country is a form of damage to the goodwill of the business of the champagne houses.'

The same view was expressed by Sir Thomas Bingham MR at 93."

69. In *WS Foster & Son Limited v Brooks Brothers UK Limited* [2013] EWPC 18, Mr Recorder Iain Purvis QC stated:

"Damage

55 Although proof of damage is an essential requirement of passing off cases, it will generally be presumed where a misrepresentation leading to a likelihood of deception has been established, since such deception will be likely to lead to loss of sales and/or more general damage to the exclusivity of the Claimant's unregistered mark. Mr Aikens accepted that if there was a misrepresentation in the present case, then he had no separate case on damage. I hold that damage is inevitable, at least in the sense recognised in *Sir Robert McAlpine v Alfred McAlpine* [2004] RPC 36 at 49 (the 'blurring, diminishing or erosion' of the distinctiveness of the mark)."

The relevant date

70. Matters must be judged at a particular point in time. In *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07 the GC stated:

"50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights

over its non registered national mark before the date of filing, in this case 11 March 2000.”

71. The relevant date at which to assess whether the use of the applicant’s mark was liable to be prevented under the law of passing-off is therefore 8 February 2013.

72. I have earlier commented on the lack of information relating to the opponent’s use and promotion of the mark, and that it was not possible to say whether, and if so, to what extent they may possess a reputation in the mark LIME SPAS; I do not see any reason why the position should be any different in respect of goodwill. On the question of misrepresentation, the question is whether a substantial number of the opponent’s present or potential customers would take services offered under the applicant’s mark to be those of the opponents, or that there is some connection between with the opponent and the applicant. Both parties use LIME in their names so it is always within the realms of possibility that the public may wonder whether there is some connection. However, account must be taken of the descriptive connotations in the opponent’s LIME SPA mark, the differences in the second elements, and the “hanging-together” of the applicant’s LIME WOOD mark. It is also relevant that the opponent operates in locations very distant from the UK, and although the applicant also carries on business overseas, this is not under the LIME WOOD name. There is also the fact that the opponent’s internet search shows that, as highlighted by the applicant, in its written submissions, the parties here are not the only users of LIME in relation to the spa services, although I place no great weight on this.

73. With this in mind I do not consider that any connection would lead the public to suppose that the opponent has made itself responsible for the quality of the defendant’s goods or services. This being the case, it must follow that there can be no damage of the sort envisaged in the case law,

Conclusion under Section 5(4)(a)

74. The claim under passing off fails.

Overall outcome

75. The opponent has failed under section 5(2)(b) and also section 5(4)(a).

COSTS

76. The applicant having been successful is entitled to a contribution towards its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. With this in mind I award costs on the following basis:

77. The opponent launched its attack on two fronts supported by a limited amount of evidence of varying degrees of probative value. In terms of the analysis and response this will not have required a significant amount of effort. Consequently, the applicant also provided only a very modest amount of evidence supported by written submissions in lieu of a hearing. I therefore consider that an award of £ 1,100 in respect of the work undertaken.

78. I order that the opponent shall pay the applicant the sum of £1,100. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this day of August 2014

**For the Registrar
The Comptroller-General**