

O-493-15

TRADE MARKS ACT 1994

APPLICATION NO. 3023760 BY SYNnex CORPORATION

TO REGISTER:

HYVE SOLUTIONS

IN CLASSES 37, 40 AND 42

AND

OPPOSITION NO. 401788

BY HYVE LIMITED

Background and pleadings

1. On 26 September 2013, Synnex Corporation (“the applicant”) applied to register **HYVE SOLUTIONS** as a trade mark for a range of goods and services in classes 9, 35, 37, 40 and 42.
2. The application was accepted and published in the Trade Marks Journal on 20 December 2013.
3. Hyve Limited (“the opponent”) opposed the application on the basis of sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The opposition on both grounds was directed against all of the goods and services in the application. Under section 5(2)(b), the opponent relies upon the use it states it has made of the goods and services shown below in the following trade mark registration:

UK no. 2281755 for the trade mark: **Hyve** which was applied for on 28 September 2001 and which completed its registration process on 24 May 2002:

Class 9 - Data processing equipment and computers; computer software including software downloadable from the Internet; apparatus for electronic mail; electronic facsimile mailing apparatus; electronic mail apparatus; electronic mail servers; electronic screening apparatus for screening mail.

Class 38 - E-mail services provided for the Internet; providing user access to the Internet (service providers); operating of search engines.

Class 42 - Computer programming; installation, maintenance, repair and programming of computer software; consultancy services relating to computer programming; hosting the web sites of others; compilation, creation and maintenance of a register of domain names; leasing of access time to a computer database; advisory services relating to computer programming.

The opposition under section 5(4)(a) is based upon the sign:



The image shows the trade mark sign 'HYVE' in a bold, black, sans-serif font. The letters are thick and blocky, with a slightly irregular, hand-drawn appearance. The 'H' and 'Y' are connected at the top, and the 'V' and 'E' are also connected at the top. The 'E' has a horizontal bar at the bottom that is slightly shorter than the others.

which the opponent states it has used throughout the UK since January 2010 in relation to all of the goods and services shown above as well as in relation to:

Cloud hosting, server hosting and management services, database monitoring services, web content checking services, back-up and recovery services, computer, data and network security and protection services, domain

registration and renewal, domain configuration and management, web development and support services, development of application software, website maintenance and updating services, database programming, technical troubleshooting.

4. The opponent's trade mark is an earlier trade mark for the purposes of section 6 of the Act. As it had been registered for more than five years at the date the application was published for opposition purposes, it is subject to the proof of use provisions contained in section 6A of the Act.

5. The applicant filed a counterstatement in which it denies the basis of the opposition and puts the opponent to proof of use.

6. On 23 March 2015, the applicant filed a form TM21B to amend its application. Classes 9 and 35 were deleted from the application. The services remaining in the application are as follows:

Class 37 - Installation, maintenance, and repair of computer hardware; upgrading of computer hardware.

Class 40 - Services for the custom manufacturing and assembling of data storage centers or units.

Class 42 - Design and engineering of data storage centers for others; testing of data storage centers for others.

7. In a letter dated 28 April 2015, the opponent confirmed that the amendment did not dispose of the proceedings.

8. Only the opponent filed evidence. Although neither party asked to be heard, both filed written submissions in lieu of attendance at a hearing. I will bear all of these submissions in mind and refer to them as necessary later in this decision.

The opponent's evidence

9. This consists of a witness statement from Jon Lucas. Mr Lucas is a director of the opponent, a position he has held since November 2010. Mr Lucas explains that the information in his statement comes from either his own personal knowledge or from his company's records, to which he has full access.

10. Mr Lucas states that the opponent has used the trade mark the subject of its registration since 2001 in relation to:

Computer software, servers, intrusion prevention systems and firewalls, e-mail services, providing user access to the Internet, computer programming, installation, maintenance, repair and programming of computer software, hosting

the web sites of others, compilation, creation and maintenance of a register of domain names, leasing of access time to a computer database, and advisory services relating to computer programming.

11. Exhibit JL1 consists of a range of invoices from the opponent to (with one exception) businesses in the UK dated between November 2008 and September 2013. Under the heading "Products/Services Breakdown", there appears the following entries: "Dedicated Server...", "Shared Firewall...", "Management...", "Cloud Sites...", "Cloud Server...", "Intrusion Prevention System (IPS)/Internet Security...", "Domain Name...", "Windows Email Plan...", "Business Email Plan...", "Licensing..." and "HA Firewall – Internet Security". With the exception of the first invoice which dates from November 2008 (and in which the word HYVE in substantially the format shown below absent the words BUSINESS HOSTING appears at the top left of the page), at the top right hand side of the remaining invoices there appears the following sign:



This sign without the words BUSINESS HOSTING also appears in the body of the invoices as do the following: "MyHyve", "Best regards, Hyve Accounts", "accounts@hyve.com", "www.hyve.com" and "Hyve Ltd", "From 9 April 2013, the following also appears in the address details: "Hyve Managed Hosting..."

12. Exhibit JL2 consists of "snapshots" from the opponent's website obtained using the Internet archive "waybackmachine" dated 4 July 2008, 5 January 2010, 30 December 2010, 1 January 2011 and what is said to be 3 April 2012 (although much of the information in the latter document including the date cannot be read).

13. In the extract dated 4 July 2008 (which is before the relevant period – paragraph 23 refers), the following text appears:

"Choose a web hosting company that will go the extra mile..."

In addition to the word HYVE appearing in block capital letters on a signpost at the top of the page, there appears the following: "Hyve Personal Support Engineers", "Take a look at the Hyve Glossary", "Hyve offer...", "Hyve adult web hosting services...", "Choose Hyve for your..." and "Hyve specialise in...". The extract includes a number of testimonials as well as references to clients such as: British Airways, Virgin and American Express.

14. In the extract dated 5 January 2010, the following appears:

“Mission Critical Hosting – We provide outstanding business web hosting of the highest quality. Our premium infrastructure and “Extra Mile” support culture guarantees it.”

The word HYVE appears in the stylised format shown above (with and without the words “BUSINESS HOSTING”) as well as in the following formats “Why Hyve”, “Hyve offer...”, “Hyve professional solutions”, “Hyve Glossary” and “About Hyve”. The extract is marked ©2010 Hyve. References to clients (including those mentioned above) can also be seen. The extracts from December 2010 and January 2011 are substantially similar to the extract from January 2010 containing many of the same references. Insofar as the extract said to date from April 2012 is concerned, one can make out a number of references to, for example, “Unparalleled cloud hosting from Hyve”, “Hyve is the UK’s leading...”, “A cloud server from Hyve...” and “Choose Hyve for your VMware hosting.”

15. Exhibit JL3 consists of what Mr Lucas describes as “extracts from third party websites containing articles, reviews and blog comments which mention the registered mark Hyve and the [opponent’s] goods or services...” Although I have reviewed this exhibit, I do not intend to summarise its contents here; I will, however, keep it in mind and refer to it, if necessary, later in this decision.

16. Mr Lucas states that the opponent has used **HYVE** as an unregistered trade mark since January 2010 for: “cloud hosting services, managed hosting services, file sharing services, back-up and recovery services, security services, server management services and technical support services”. He goes on to explain that the opponent has a number of high profile clients i.e. T.K. Maxx (since 2009), British Airways (since 2010), Royal Society for the Prevention of Cruelty to Animals (since 2010), Tesco (since 2010), National Health Service (since 2011) and the Government Procurement Service (since June 2013).

17. Mr Lucas explains that the opponent has made extensive use of social media to promote itself with exhibit JL4 consisting of extracts from the [opponent’s] posts or tweets on Facebook, Twitter, LinkedIn and Pinterest. Like exhibit JL3 I have reviewed this exhibit, but do not intend to summarise its contents here; I will, however, refer to it, if necessary, later in this decision.

18. Although the opponent’s accounting system does not allow it to differentiate between the “registered and unregistered trade marks”, Mr Lucas states that turnover and promotion under the HYVE trade marks has been as follows:

Turnover

Year	Value (£)	No. of client accounts
2009	341,491	270
2010	275,775	250

2011	535,691	280
2012	757,808	270
2013	767,953	260
Total 2009-2013	£2,678, 718	-

Promotion

Year	Expenditure (£)
2009	4,300
2010	6,900
2011	11,469
2012	14,000
2013	53,725
Total	£90,394

19. Mr Lucas explains that the main focus of the opponent's promotional activities has been on-line marketing such as Google Adwords, Google Remarketing, website advertising, footer links, banner advertising, review site listings, online magazine websites, news website blogging, open source website links and posts and "tweets" on social networks. In 2013, the opponent spent £13k on Google Adwords. Mr Lucas states that the opponent "averages about four new orders per month" adding that the opponent's website www.hyve.com is an important point of contact for potential clients. Exhibit JL5 consists of a website traffic report for the opponent's website between 4 November 2008 and 4 December 2013. If I understand the report correctly, it appears to show, inter alia, that in the period mentioned there were: 227,744 sessions, 177,890 users and 464,611 page views. Of these sessions, 13.19% appear to refer to users in the UK. In addition to the above, Mr Lucas explains that the opponent attended the Cloud Expo Europe show held between 29 and 30 January 2013 at Olympia, London at a cost of £20k. Exhibit JL6 consists of two photographs taken at the show in which the stylised version of the word HYVE accompanied by the words "MANAGED HOSTING" can be seen in the following format:



Finally, Mr Lucas states that he and his fellow director devote on average two to three days a week to search engine optimisation and online marketing through social networking sites.

20. That concludes my summary of the opponent's evidence to the extent that I consider it necessary.

Decision

21. I shall deal first with the objection based upon section 5(2)(b) of the Act. This reads as follows:

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

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

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

22. As I have already mentioned, the opponent’s earlier trade mark is subject to proof of use and in its counterstatement the applicant has asked the opponent to demonstrate such use. The relevant sections of the Act read as follows:

“6A Raising of relative grounds in opposition proceedings in case of non-use

(1) This section applies where –

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark 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).”

Section 100 of the Act is also relevant and reads:

“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.”

Proof of use

23. In reaching a conclusion, I must apply the same factors as I would if I were determining an application for revocation of a trade mark registration based on grounds of non-use; the relevant period for present purposes is the five year period ending with the date of the publication of the application for registration i.e. 21 December 2008 to 20 December 2013. In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch) Arnold J commented on the case law of the Court of Justice of the European Union (“CJEU”) in relation to genuine use of a trade mark:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v*

Laboratoires Goemar SA (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

(1) Genuine use means actual use of the mark by the proprietor or third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely token, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider* [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it

appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]”.

24. Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 *P, Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that “not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

25. In *Awareness Limited v Plymouth City Council*, Case BL O/230/13, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

and further at paragraph 28:

“28. I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

26. In *Dosenbach-Ochsner AG Schuhe und Sport v Continental Shelf 128 Ltd*, BL O/404/13, Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person, stated:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. V. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘show’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

27. In considering the opponent’s evidence, it is a matter of viewing the picture as a whole, including whether individual exhibits corroborate each other. In Case T-415/09, *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, in relation to the need to get a sense from the overall picture of the evidence, notwithstanding that individual pieces may not, of themselves, be compelling, the General Court (“GC”) stated:

“53. In order to examine whether use of an earlier mark is genuine, an overall assessment must be carried out which takes account of all the relevant factors in the particular case. Genuine use of a trade mark, it is true, cannot be proved by means of probabilities or suppositions, but has to be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (COLORIS, paragraph 24). However, it cannot be ruled out that an accumulation of items of evidence may allow the necessary facts to be established, even though each of those items of evidence, taken individually, would be insufficient to constitute proof of the accuracy of those facts (see, to

that effect, judgment of the Court of Justice of 17 April 2008 in Case C-108/07 P Ferrero Deutschland v OHIM, not published in the ECR, paragraph 36).”

28. In his witness statement, Mr Lucas states the trade mark Hyve has been used upon:

Computer software, servers, intrusion prevention systems and firewalls, e-mail services, providing user access to the Internet, computer programming, installation, maintenance, repair and programming of computer software, hosting the web sites of others, compilation, creation and maintenance of a register of domain names, leasing of access time to a computer database, and advisory services relating to computer programming.

29. In its written submissions, the applicant makes a number of comments about the opponent’s evidence. These are as follows:

“10. The Applicant submits that the evidence provided at most supports the use of the mark HYVE BUSINESS HOSTING or HYVE MANAGED HOSTING for hosted software as a service (SAAS), website and data hosting and management, domain name registration and hosted email services, but not the mark HYVE on its own. The evidence only shows use of these marks in connection with SAAS email and security software, as a service, and in connection with offering website hosting services and data hosting services, which can be stored in rented space provided on either a shared server, or on a dedicated server. The Opponent has failed to show any use of the mark in relation to goods in class 9.

12. The Applicant submits that the additional elements to the mark HYVE — HYVE BUSINESS HOSTING and HYVE MANAGED HOSTING do alter the distinctive character of the marks. The mark HYVE is very short and so any additional element of terms that are the length of the two additional phrases in this case will affect the distinctive character of the mark. For the vast majority of the goods and services covered by the Earlier Trade Marks, the additional elements BUSINESS HOSTING and MANAGED HOSTING are highly distinctive. There is no association between these words and the goods “electronic mail apparatus” or the services “computer programming” for example.”

30. In relation to the various exhibits provided the applicant states:

“JL1 - The Applicant notes that the vast majority of invoices display the mark



and not HYVE on its own.

The Applicant notes that these invoices do not demonstrate sales in relation to all of the goods and services covered by the Opponent’s Earlier Trade Mark. The invoices mainly demonstrate use for internet security services, cloud server services, domain name registration and email plans. The invoices fail to

demonstrate use for any of the goods covered in class 9, as well as computer programming services, installation, maintenance, repair and programming of computer software and leasing of access time to a computer database.

JL2 - The Applicant notes that the majority of these screenshots refer to HYVE BUSINESS HOSTING and not HYVE on its own. The Applicant notes that the dates are unreadable on some of the printouts and therefore must be discounted. The screenshots demonstrate that the mark HYVE BUSINESS HOSTING was used on a website in relation to web hosting. Server services are also advertised; however the Applicant notes that these are not covered in the specification for the Earlier Trade Mark.

JL3 - The internet excerpts provided support use of HYVE MANAGED HOSTING and not HYVE on its own; they also refer mainly to cloud hosting services which are not services that are covered by the Earlier Trade Mark.

JL4 - The social media excerpts refer to the trade mark HYVE MANAGED HOSTING and not HYVE on its own and so are of limited value.

JL6 - This exhibit also makes it clear that the mark that is in use is HYVE MANAGED HOSTING and not HYVE on its own, Even in the stylised format, the mark is [as shown in paragraph 19 above].”

31. Although the applicant does not accept that the opponent’s trade mark has been used in the form in which it is registered, it appears to accept that the evidence shows use upon:

“internet security services, cloud server services, domain name registration, email plans”, “web hosting”, “server services” and “cloud hosting services”,

although in relation to the final two items the opponent states that these are not included in the specifications of the earlier trade mark. In addition, the applicant states that the:

“invoices fail to demonstrate use for any of the goods covered in class 9, as well as computer programming services, installation, maintenance, repair and programming of computer software and leasing of access time to a computer database.”

32. Turning first to the applicant’s comments on the form in which the opponent’s trade mark has been used, I agree that the word HYVE is used predominately in the stylised version shown above and is often accompanied by either the words BUSINESS HOSTING or MANAGED HOSTING. However, the word HYVE also appears alone in both upper and title case in the extract from the opponent’s website from July 2008 (which I accept is before the relevant period) and in title case in the subsequent versions of the website from 2010, 2011 and also, it appears, 2012. Although I do not place any reliance on exhibits JL3 and JL4, it is clear that although the word Hyve often

appears in either the stylised version and/or accompanied by the words Managed Hosting, the opponent's customers and, inter alia, those reviewing the opponent's business, refer to it as Hyve. In short, I am satisfied that during the relevant period the opponent has used its Hyve trade mark in, inter alia, the form in which it stands registered.

33. With the above in mind, I now turn to consider what, in my view, is the more difficult question i.e. in relation to what goods and services the trade mark Hyve has actually been used.

34. In his statement, Mr Lucas does not provide even an estimate of what percentage of the opponent's turnover relates to the various categories of goods and services he has identified. However, the evidence does establish that during the relevant period the opponent had in excess of 250 client accounts per year (including a number of clients who are household names) and its turnover and promotion in the relevant period amounted to some £2.7m and £90k respectively.

35. The opponent is a web hosting company. Whilst the extracts from the opponent's website refer to, for example, "dedicated servers" and "cloud servers", these extracts also contain references to "Industry leading HP ProLiant hardware" (2008) and "HP & Cisco Hardware" and "HP & VMware technology" (2010 and 2011). This suggests that the opponent provides, at best, a retail service in relation to such goods (if indeed it even provides a retail service). In addition, whilst the invoices at exhibit JL1 contain the heading "Products/Services", it appears that all of the entries relate to the provision of a service rather than a trade in goods. In short, on the basis of the evidence provided, I am unable to conclude that the opponent has conducted a trade in relation to any goods.

36. I now turn to consider upon what services the opponent has used its Hyve trade mark in the relevant period. Bearing in mind the totality of the opponent's evidence (in particular exhibits JL1 and JL2), I am satisfied that use has been demonstrated in relation to e-mail services and that as part of its web hosting business (see below) the opponent has provided user access to the internet. While there is some evidence to the effect that the opponent provides Search Engine Optimisation (SEO) services, there is nothing to suggest it conducts a business in relation to the "operating of search engines", nor does Mr Lucas claim as much in his statement. Given my conclusion above, it follows that I am also satisfied that the evidence shows use upon website hosting services and also, in my view, on (at least) domain name registration (if not on compilation, creation and maintenance of a register of domain names). As to leasing access time to a computer database and the services relating to computer software and computer programming, I am less certain. Whilst there are references throughout the evidence which indicate that the opponent provides as part of its web hosting business a range of additional services (a number of which may include the types mentioned), I am simply unable to conclude on the basis of the evidence provided that the opponent has made use of its Hyve trade mark in relation to any other specific services. As I mentioned above, the opponent has not provided a split of its turnover by class.

However, considering the evidence as a totality in light of what appears to me to be the opponent's core business, I am satisfied that it has shown genuine use upon:

E-mail services, providing user access to the internet, website hosting and domain name registration.

37. Having reached that conclusion, I now need to determine what constitutes fair specifications. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

"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."

38. In *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, Kitchen L.J. (with whom Underhill L.J. agreed) set out the correct approach for devising a fair specification where the mark has not been used for all the goods/services for which it is registered. He said:

"63. The task of the court is to arrive, in the end, at a fair specification and this in turn involves ascertaining how the average consumer would describe the goods or services in relation to which the mark has been used, and considering the purpose and intended use of those goods or services. This I understand to be the approach adopted by this court in the earlier cases of *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2002] EWCA Civ 1828, [2003] RPC 32; and in *West v Fuller Smith & Turner plc* [2003] EWCA Civ 48, [2003] FSR 44. To my mind a very helpful exposition was provided by Jacob J (as he then was) in *ANIMAL Trade Mark* [2003] EWHC 1589 (Ch); [2004] FSR 19. He said at paragraph [20]:

"... I do not think there is anything technical about this: the consumer is not expected to think in a pernicky 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 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.”

64. Importantly, Jacob J there explained and I would respectfully agree that the court must form a value judgment as to the appropriate specification having regard to the use which has been made. But I would add that, in doing so, regard must also be had to the guidance given by the General Court in the later cases to which I have referred. Accordingly I believe the approach to be adopted is, in essence, a relatively simple one. The court must identify the goods or services in relation to which the mark has been used in the relevant period and consider how the average consumer would fairly describe them. In carrying out that exercise the court must have regard to the categories of goods or services for which the mark is registered and the extent to which those categories are described in general terms. If those categories are described in terms which are sufficiently broad so as to allow the identification within them of various sub-categories which are capable of being viewed independently then proof of use in relation to only one or more of those sub-categories will not constitute use of the mark in relation to all the other sub-categories.

65. It follows that protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider belong to the same group or category as those for which the mark has been used and which are not in substance different from them. But conversely, if the average consumer would consider that the goods or services for which the mark has been used form a series of coherent categories or sub-categories then the registration must be limited accordingly. In my judgment it also follows that a proprietor cannot derive any real assistance from the, at times, broad terminology of the Nice Classification or from the fact that he may have secured a registration for a wide range of goods or services which are described in general terms. To the contrary, the purpose of the provision is to ensure that protection is only afforded to marks which have actually been used or, put another way, that marks are actually used for the goods or services for which they are registered.”

39. I must now apply the above case law to my conclusion at paragraph 36. Although I have concluded that the opponent has used its Hyve trade mark in relation to “domain name registration”, this forms no part of its specification in class 42 which relates solely to the “compilation, creation and maintenance of a register of domain names” on which, at least as far as I can tell, no use has been demonstrated. Fair specifications reflecting the opponent’s use and upon which it is entitled to rely are, in my view, as follows:

Class 38: E-mail services provided for the internet; providing user access to the internet (service providers).

Class 42: Hosting the websites of others.

I will now consider the opposition under section 5(2)(b) with those specifications in mind.

Section 5(2)(b) – case law

40. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of 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 creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the purchasing act

41. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' services; I must then determine the manner in which these services are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

42. In its submissions, the applicant states:

“21...Moreover, the consumers of the two parties' respective services are likely to be highly knowledgeable and sophisticated purchasers that are well informed...”

And:

“41...the relevant consumer will pay a higher than average attention to detail...”

43. Whilst the average consumer of the applicant's services in class 37 and the opponent's services in class 38 may be either a member of the general public or a business user, the average consumer of the applicant's services in classes 40 and 42 will be a business user as, most likely, will be the average consumer of the opponent's services in class 42.

44. The average consumer is most likely to select the services in classes 37 and 38 having inspected, for example, marketing literature, advertisements and reviews in both hard copy and on-line, all of which suggests that visual considerations will be the most important part of the selection process. However, as, for example, oral recommendations from one person or business to another are also likely, aural considerations must not be overlooked. As to the degree of care with which such services will be selected, as both sets of average consumers will need to be satisfied that the provider of the services in class 37 is familiar with their computer system, as not insignificant sums of money may be in play, as a member of the general public may be making such a selection only infrequently and as the process involving a business user may also involve, for example, exploratory meetings, demonstrations, a tender process and the possibility of establishing a service contract, this suggests an above average level of attention on the part of both consumer groups.

45. As to class 38, the services are likely to be selected in much the same way as those in class 37. Even considered from the perspective of a member of the general public, selecting a service provider and related e-mail services is likely to involve consideration of, for example, internet security, download speeds, length of contract, cost etc., all of which suggests that a member of the public will, once again, pay an above average degree of attention. When selecting on behalf of a business, all of the above considerations are also likely to be in play, pointing, once again, to an above average degree of attention.

46. Many of the considerations and conclusions mentioned above also apply to the opponent's services in class 42 and to the applicant's services in classes 40 and 42. Insofar as the applicant's services in classes 40 and 42 are concerned, in its submissions the applicant describes data centers as:

“6...large facilities housing groups of networked computer servers, used by companies such as Google, for the remote storage, processing and distribution of vast quantities of data...”

47. Although not supported by evidence, this explanation accords with my own understanding of the term. As to how such services will be selected, many of my comments above are also likely to apply here. However, given, inter alia, the capital outlay that is likely to be involved and the number of steps that are likely to be involved before a purchasing decision is taken, the average consumer is, in my view, likely to pay a high level of attention to the selection of such services.

Comparison of services

48. The competing services are as follows:

Opponent's services (fair specification)	Applicant's services
Class 38: E-mail services provided for the internet; providing user access to the	Class 37 - Installation, maintenance, and repair of computer hardware; upgrading of

<p>internet (service providers).</p> <p>Class 42: Hosting the websites of others.</p>	<p>computer hardware.</p> <p>Class 40 - Services for the custom manufacturing and assembling of data storage centers or units.</p> <p>Class 42 - Design and engineering of data storage centers for others; testing of data storage centers for others.</p>
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49. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“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, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

50. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) 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.

51. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

“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.”

52. In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

“I should add that I see no reason to give the word “cosmetics” and “toilet preparations”... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context.”

53. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

54. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that “complementary” means:

“...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”.

55. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

56. In its submissions, the opponent states:

“2. The applicant’s services are similar to the opponent’s services in classes 38 and 42 because the respective services are functionally interdependent, or complementary. In addition, the respective services are aimed at business customers and may have the same end users.”

57. In relation to its services in class 37, the applicant states, inter alia:

“20. The Applicant’s services are physical repair activities to establish, preserve and restore machines and equipment. The Opponent has failed to demonstrate that it has any use... in connection with the provision or sale of any hardware. The evidence submitted only relates to hosted software, provision of “dedicated servers” for the Opponent’s data hosting services, website hosting services, and domain name registration services.

21. The average consumer would not expect email services and webhosting to be conducted by the same entity that offers installation, maintenance and repair of computer hardware...the average consumer is now able to distinguish between different kinds of IT related goods and services, and would not believe that the services at issue would be complementary or have the same origin as the computer software, web hosting and email related services of the Opponent.

22. These services would not be considered to be competing with or complementary to the goods and services of the Opponent. No one would decide to have repair services on computer machines because they needed a website hosting, had issues with their computer software or needed email services.”

58. In relation to its services in class 40, the applicant states, inter alia:

“24. Again, the Applicant submits that there is a clear distinction between the custom manufacturing and assembling of data storage centres of the Applicant and the services of the Opponent. These services have an entirely different purpose and nature from those of the Opponent. The Applicant’s services are highly specialised and there is no evidence to suggest that the same undertakings normally provide both the services of the Applicant in class 40 and those of the Opponent.

25. The Applicant submits that these services are clearly distinct from the goods and services of the Opponent and would not be considered complementary. Someone would not choose to undertake the massive scale project of designing

and constructing a data storage centre facility instead of paying for access to hosted storage space for a website or purchasing access to hosted security or email software. Even cloud storage services would be considered remote from the building of data storage centres, since the physical building of big data storage centres is particularly specialised at an enterprise level. The public would not expect the building of physical data storage centres to be conducted by the same entity that offers the general public cloud storage and hosting.”

59. In relation to its services in class 42, the applicant states, inter alia:

“27. The Applicant submits that these services are highly specialised services relating specifically to the design, engineering and testing of storage centres. These services are highly specialised and expensive services and the Applicant submits that the consumer would not believe that these services would be undertaken by the same entity as the services of the Opponent, which are entirely software based.

28. Therefore the Applicant submits that these services are entirely different to the goods and services of the opponent.

29. The Opponent claims in their Statement of Grounds that all of the services applied for can be described as “computer equipment, computer software and information technology services” and claims that these are identical to the goods and services covered by the Earlier Trade Mark. The Applicant refutes this, particularly in light of the limited recitation of services. All of the services covered by the Opposed Mark are solely related to data storage centres and related services, including maintenance of computer hardware. The umbrella term utilised by the Opponent “information technology services” is too broad and does not account for the average consumer’s ability to differentiate between computer software services and computer hardware services.

30. The Opponent also claims in their Statement of Grounds that it is common for a consumer to subscribe to maintenance and updating services from the same company as they are purchasing software. The Applicant submits that this is a vast generalisation and considering the maintenance and updating services covered by the Opposed Mark are highly specialised, it seems highly unlikely that a consumer purchasing hosted computer software would also purchase custom manufacturing and design of data centres.”

60. As I mentioned above, the opponent’s evidence indicates that it is, broadly speaking, a web hosting company, whereas the applicant seeks registration in respect of installation, maintenance, repair and upgrading of computer hardware and services relating to the custom manufacture, assembly, design, engineering and testing of data centres.

61. In my view, the nature and intended purpose of the applicant's services are different from those of the opponent and the competing services are not in competition with one another. Insofar as the users of the competing services is concerned, I agree with the applicant that in relation to its services in classes 40 and 42, the users are likely to be different (the users of the applicant's services in these classes are, in my view, more likely to be business users such as the opponent). However, I think it much more likely that users of the applicant's services in class 37 will also be users of the opponent's services in classes 38 and 42.

62. The opponent's principle argument is that the competing services are complementary; an argument the applicant rejects. As the above case law indicates, the purpose of determining whether there is a complementary relationship is to assess whether the average consumer will believe that the responsibility for the competing services lies with the same or economically linked undertakings. In addition, as the GC indicated in *Sanco*, services may be regarded as complementary where their nature and purpose is very different. As I mentioned above, in its submissions, the applicant described a data centre in the following terms:

"6...large facilities housing groups of networked computer servers, used by companies such as Google, for the remote storage, processing and distribution of vast quantities of data..."

63. I note that the extracts from the opponent's website (exhibit JL2) contain the following entries:

"Take our datacenter tour..." (July 2008);

"Take our UK data centre tour..." (January 2010);

"UK data centre tour..." (December 2010 and January 2011).

64. In my view, there is a clear complementary relationship between (in particular) the opponent's "hosting the websites of others" in class 42 and the applicant's services in class 37 leading to at least a low degree of similarity between them. Insofar as the applicant's services in classes 40 and 42 are concerned, the above extracts from the opponent's evidence indicates that the average consumer of the opponent's services will be fully aware that the existence of a data centre is fundamental to the provision of the opponent's services. Although the applicant's services in classes 40 and 42 are one step removed from the actual operation of a data centre, there is still, in my view, a sufficiently close complementary relationship between them and (in particular) the opponent's website hosting services to result in at least a very low degree of similarity between them. I will return to the similarity of the competing services when I consider the likelihood of confusion.

Comparison of trade marks

65. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union (“CJEU”) stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

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

Hyve v HYVE SOLUTIONS.

67. The opponent’s trade mark consists of the single word Hyve presented in title case; it has no dominant elements, its distinctiveness lying in its totality. As to the applicant’s trade mark, this consists of two elements. The first is the word HYVE presented in upper case. In relation to the second element i.e. the word SOLUTIONS also presented in upper case, in its Notice of Opposition, the opponent states:

“3. The additional word SOLUTIONS...is a commonplace term used by numerous businesses to denote goods or services designed to meet particular needs and it is submitted that this word is not distinctive in the context of the applicant’s goods and services because they may all be described as being “designed to meet particular needs”. The everyday meaning of the additional word SOLUTIONS means that the average consumer will give it little, if any, attention and will be drawn to the word HYVE as the dominant and distinctive element at the beginning of the mark applied for.”

68. Although the opponent has provided no evidence to support its assertion that “SOLUTIONS...is a commonplace term used by numerous businesses...”, its view accords with my own experience of the use of this word in relation to businesses trading in a wide range of goods and services. As a consequence, I have no doubt that the distinctive and dominant element of the applicant’s trade mark is the word HYVE and it is this word which will dominate the overall impression the trade mark conveys. The

word SOLUTIONS will, in my view, and as the opponent suggests, have “little if any” relative weight in the overall impression the applicant’s trade mark conveys.

69. As the word Hyve is the only element of the opponent’s trade mark and the distinctive and dominant element of the applicant’s trade mark, there is, notwithstanding the inclusion of the word SOLUTIONS in the applicant’s trade mark, a high degree of visual similarity between them. Insofar as aural similarity is concerned, similar considerations and conclusions apply. However, it is, in my view, entirely possible given its descriptive/non-distinctive nature, that when the applicant’s trade mark is referred to orally, the word SOLUTIONS will not be articulated; in those circumstances, the competing trade marks would be aurally identical.

70. Finally, in relation to conceptual similarity, in its written submissions, the applicant states:

“38. Conceptually, the term HYVE has no meaning and so the public will not perceive [either parties’ trade marks] as having any particular meaning.”

71. I agree with the applicant’s submission. As far as I am aware the word Hyve/HYVE has no meaning, resulting in the conceptual position being neutral. To the extent, however, that the average consumer would see the word HYVE and it would bring to mind for them the well known English language word HIVE meaning (most likely) either a colony of bees or great industry e.g. a hive of activity, and as the presence in the applicant’s trade mark of the word SOLUTIONS is unlikely to alter this conceptual meaning, the competing trade marks would be (if not conceptually identical), conceptually similar to a high degree.

Distinctive character of the opponent’s earlier trade mark

72. The distinctive character of a trade mark can be appraised only, first, by reference to the services in respect of which registration is sought 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 trade 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 trade mark to identify the services for which it has been registered as coming from a particular undertaking and thus to distinguish those services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

73. As the applicant accepts that the word Hyve has no meaning, it follows that as an invented word it has a high degree of inherent distinctive character. However, the opponent has also filed evidence of the use it has made of its trade mark. Earlier in this decision I considered the opponent’s evidence and concluded that it had made genuine use of its Hyve trade mark in relation to the services mentioned above. Although Mr Lucas has not provided any percentage split of, inter alia, the turnover figures he provides from 2009 to 2013, when considered in the context of a business which has

been trading since 2001, had in the period 2009-2013 in excess of 250 clients per year (including a number of clients who are household names) and who has spent a little over £90k on promoting its trade mark in the period 2009-2013, it would be unrealistic for me to conclude that the distinctiveness of its Hyve trade mark had not been enhanced by virtue of the use made of it. That said, as any enhanced distinctive character the trade mark may have acquired is unlikely to materially improve the opponent's position, I will proceed on the basis that (irrespective of any use) it is a trade mark possessed of a high degree of distinctive character.

Likelihood of confusion

74. 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 degree of similarity between the respective services and vice versa. It is also necessary for me to keep in mind 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 services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. I have concluded that:

- On the basis of the evidence provided, the opponent has made genuine of its Hyve trade mark in relation to: "E-mail services provided for the internet; providing user access to the internet (service providers)" in class 38 and "Hosting the websites of others" in class 42;
- The average consumer of the applicant's services in classes 37 and the opponent's services in class 38 is either a member of the general public or a business user;
- The average consumer of the applicant's services in classes 40 and 42 and the opponent's services in class 42 is most likely to be a business user;
- Although the average consumer is most likely to select the services at issue by primarily visual means, aural considerations must also be taken into account;
- The average consumer is likely to pay an above average level of attention to the selection of the applicant's services in classes 37 and to the opponent's services in classes 38 and 42 and a high level of attention to the selection of the applicant's services in classes 40 and 42;
- The applicant's services in classes 37 are similar to the opponent's services to at least a low degree whereas its services in classes 40 and 42 are similar to at least a very low degree;

- The competing trade marks are visually similar to a high degree and aurally and conceptually similar to at least a high degree. In relation to the two latter categories, the competing trade marks may, in fact, be identical;
- The opponent's Hyve trade mark is possessed of a high degree of inherent distinctive character which is likely to have been enhanced by the use made of it, but not to the extent that it materially improves the opponent's position.

75. I begin by reminding myself that the competing trade marks are visually similar to a high degree and aurally and conceptually similar to at least a high degree and that the opponent's Hyve trade mark is possessed of a high degree of distinctive character (all of which are points in the opponent's favour). However, I must also bear in mind that the average consumer will pay at least an above average degree of attention to the selection of the services at issue and that the competing services are similar to only a low and very low degree respectively (all of which are points in the applicant's favour). I must also bear in mind the interdependency principle i.e. that a lesser degree of similarity between the respective services may be offset by a greater degree of similarity between the respective trade marks and vice versa. Having done so, I am satisfied that even in relation to services which are only similar to a very low degree, the highly distinctive nature of the opponent's Hyve trade mark combined with the degree of similarity between the competing trade marks I have identified, is sufficient to bridge the gap between the services at issue and that even in relation to its now limited specifications in classes 37, 40 and 42, the use of the applicant's HYVE SOLUTIONS trade mark will lead to a likelihood of direct confusion i.e. the applicant's trade mark will be mistaken for that of the opponent.

76. Earlier in this decision I commented upon the opponent's services relating to leasing of access time to a computer database and computer software and computer programming, and concluded that I was, on the basis of the evidence provided, unable to conclude that the opponent had used its Hyve trade mark in relation to such services. However, if my primary conclusion in relation to the scope of protection to which the opponent's trade mark is entitled is considered to be too narrow, and if (on appeal for example) it is concluded that the opponent was entitled to rely upon such services, it would, in my view, increase the degree of similarity between the opponent's services in class 42 and the applicant's services in class 37 from "at least a low degree" to "at least a medium degree" and, in relation to the applicant's services in classes 40 and 42, from "at least a very low degree" to "at least a low degree". In so doing, it would, in my view, given the similarity in the competing trade marks and the high degree of distinctive character the opponent's earlier trade mark possesses, increase the likelihood of confusion still further.

Conclusion under section 5(2)(b)

77. The opposition based upon 5(2)(b) of the Act succeeds in full.

The opposition based upon section 5(4)(a) of the Act

78. Earlier in this decision I came to the very clear conclusion that the form in which the opponent's trade mark had been used was acceptable to show genuine use of the trade mark. Although the services upon which the opponent may rely under this ground would, in my view, be broader than those upon which I have already concluded it is entitled to rely under section 5(2)(b), (which, in my view, puts the opponent in an even stronger position than under section 5(2)(b)), in view of the conclusions I have already reached, and in the interests of procedural economy, I see no reason to consider this ground any further and decline to do so.

Costs

79. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using that TPN as a guide, but making no award to the opponent in respect of its written submissions filed in lieu of a hearing (which added little of substance to comments contained in its Notice of Opposition), I award costs to the opponent on the following basis:

Preparing a statement and considering the applicant's statement:	£300
Preparing evidence:	£500
Expenses:	£200
Total:	£1000

80. I order Synnex Corporation to pay to Hyve Limited the sum of **£1000**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21st day of October 2015

C J BOWEN
For the Registrar