

O-168-16

TRADE MARKS ACT 1994

**APPLICATION Nos. 3055444 AND 3077984
BY ALPHA-TEK ASSOCIATES LTD
TO REGISTER THE TRADE MARKS**

CEM 11+
CEM 11 plus
(a series of two marks)

AND



**OPPOSITIONS Nos. 402725 AND 403772
BY THE UNIVERSITY OF DURHAM**

AND

**APPLICATION Nos. 3057993 AND 3057994
BY THE UNIVERSITY OF DURHAM
TO REGISTER THE TRADE MARKS**

CEM 11 plus

AND

CEM 11+

**AND OPPOSITIONS Nos. 402965 AND 402964
BY ALPHA-TEK ASSOCIATES LTD**

AND

APPLICATION No. 500438 BY AMIT MATALIA FOR TRADE MARK No. 2654219

CEM

**OWNED BY THE UNIVERSITY OF DURHAM
TO BE DECLARED INVALID**

Background and the issues in dispute

1. The opposition proceedings listed on the title page of this decision concern trade mark applications by two different applicants, Alpha-Tek Associates Ltd (“Alpha”) and The University of Durham (“the University”), each of which has applied to register marks consisting of, or containing, CEM 11+/plus. Alpha’s applications were filed first.

2. The University’s grounds of opposition to Alpha’s applications are partly based on its ownership of an earlier trade mark for the letters CEM, which is registered under number 2654219, and registration 2620085, which is the composite trade mark shown below.



3. Alpha’s opposition to the University’s applications to register CEM 11 + and CEM 11 plus is partly based on the earlier filed trade mark applications shown at the top of the front page of this decision, i.e. the trade marks mentioned in paragraph 1 above.

4. Additionally, Mr Amit Matalia, who is the controlling mind of Alpha, made an application for a declaration of invalidity in respect of the University’s registered trade mark 2654219. This is partly based on Mr Matalia’s claim to own an earlier unregistered right to the letters CEM.

5. The various proceedings are consolidated.

6. Given the importance of the validity of the University’s registered CEM trade mark to the outcome of the oppositions, I find it convenient to start with that matter.

7. Trade mark 2654219 is registered for:

Class 41: Education; providing of training; entertainment; sporting and cultural activities; education services; educational assessment services; teaching, tuition and examining services; education information services; the provision of education performance and monitoring indicators; research relating to education; academic and vocational educational services; provision of courses of instruction, lectures and seminars all relating to academic or vocational subjects; teaching, tuition and examining in connection with the provision of education, degree, diploma and certificate courses; library services; publication of books, texts and journals; provision of correspondence courses; provision of recreational and sporting facilities; publication services; arranging and conducting of conferences, seminars and workshops; production of teaching reports; information, consultancy and advisory services

relating to all the aforesaid services; all the aforesaid services including those provided online from a computer database or the internet.

Class 42: Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software; computer programming; installation, maintenance and repair of computer software; computer consultancy services; design, drawing and commissioned writing for the compilation of web sites; creating, maintaining and hosting the web sites of others; design services; evaluation of performance against bench-mark references; information, consultancy and advisory services relating to all the aforesaid services; all the aforesaid services including those provided online from a computer database or the internet.

8. The application to register the mark was made on 8th February 2013 (“the first relevant date”) and the mark was entered in the register on 2nd August 2013.

9. Mr Matalia’s application for the registration to be invalidated is made under s.47 of the Act, but is based on claims that the registration of the trade mark was contrary to sections 3(1)(b), 3(1)(d), 3(6) and 5(4)(a) of the Act. Mr Matalia’s specific claims are shown below:

Section 3(1)(b):

The term CEM is nothing more than a widely used abbreviation/acronym to represent a number of different meanings. There are over one hundred recognised and validated meanings of the acronym CEM. Many of these are used in education, in the classes the mark is registered in. This also includes a previous CEM mark registered to the College of Estate Management. As such the mark CEM is devoid of any distinctive character and incapable of distinguishing goods from one different suppliers. It is therefore incapable of functioning as a Trademark. CEM is recognised as an acronym of Children's Educational Material, the College if Emergency Medicine, Centre for Environmental Management, Construction Engineering Management, Certified Energy Manager (tests), Customer Experience Management to name a few. The acronym is used in the Educational and Science trade sectors.

Section 3(1)(d):

The term CEM is internationally recognised abbreviation for many different things in different trades (particularly in education) including Continuing Education Material, Children's Educational Material, Continuous Emission Monitoring, Certified Energy Manager, Certified Emergency Manager as well as numerous other meanings such as cemetery and cement. No one organisation can claim sole use of the CEM mark to the detriment of others, by registering for numerous activities in a class with no intention of using the mark in every activity. The acronym has customary meanings in the respective trades. They are generic terms common for a product or service and not sufficient to distinguish goods or services of one undertaking from those of other undertakings.

Section 3(6):

Prior to the proprietor attempting to trademark the acronym/abbreviation CEM, they were aware the mark was registered in Education to the College of Estate Management and there were hundreds of legitimate meanings of the acronym CEM including Children's Educational Material which I used. They made groundless threats of trademark infringement. When it was pointed out they did not own the CEM Trademark they applied for the mark in bad faith, and once approved used the mark to prevent my continued bona fide use and attacked domains I used prior to the mark being applied for. The University then filed Nominet, UDRP and later Czech Arbitration proceedings using the CEM mark to gain control of cem11plus.co.uk, cem11plus.com and attempted to control cem11plus.eu. The fact they took no action against 11pluscem.co.uk and 11pluscem.com clearly indicates the application was made in bad faith to gain control of domains and traffic from the domains that were indexed number 1 in Google searches for CEM 11+. They make a point of not providing any preparation material for selective tests and are committed to this policy yet block my use and register the use in their trade mark. This is clearly a bad faith registration as they knew I provided 11+ preparation material under the name CEM 11+, a mark they never used until they became aware of my services. The CEM mark was already clearly diluted with many users having different connotations and they attempt to take over the mark abusively for all educational use causing confusion. They do not own cem.com or cem.org.uk or cem.co.uk. CEM was already registered in the UK.

The University has never actually used the word CEM as a trademark. They simply use it as an acronym to refer to Centre for Evaluation & Monitoring, which is their true Trademark. They only applied for the Trademark once they became aware of my use in an area they did not operate and then when I had pointed out they did not own the CEM mark they abusively applied to register the CEM mark simply to prevent my use.

They attempt to block my use by registering in areas they had no intention of using the mark in and using the mark abusively. I have been using the term CEM to stand for Continuing Educational Material and Children's Educational Material, and used CEM 11+ as an unregistered trademark. I do not consider the CEM acronym capable of functioning as a legitimate trademark as there are many organisations that use the term CEM to refer to other things, including in education. No one organisation can monopolise an acronym and then use it as a weapon to attack other users who have unregistered rights by registering it in every conceivable use, even those they have no intention of operating in. I claim earlier unregistered rights. It is abusive of the University to register the CEM mark knowing I had used the mark, then seek to stop me using the mark in domains I used before the CEM mark was applied for. The University used the mark retrospectively to attack my domains. The University then stole my traffic directing the traffic to their own site. In addition, the University was aware the CEM mark was used by other organisations, who had prior rights and by the College of Estate Management who already had registered a mark in narrow categories. The University simply attack my use, leaving others alone, demonstrating an abusive registration to attack my unregistered rights. I have applied for Trade marks CEM 11+ and CEM 11 plus and the Proprietor immediately responded by making applications for the same marks in classes and areas they have no intention to use and filed an intention to object to my application, when published.

10. Mr Matalia's claim to own an earlier right to CEM for the purposes of the section 5(4)(a) ground is that he has used the sign CEM since 3 February 1989 throughout the UK in *"Continuing Education Material MS-DOS based computer applications: Medicase and Mediquest and on .NET websites Eg:www.certifystudy.co.uk, now transferred to other sites."* He states that the sign has been used for *"Education, Continuing Education Material including material delivered on floppy disks and CDs and preparation material; downloadable and printed."* Mr Matalia objects to use of the registered mark in relation to educational services and associated materials materials. He says:

I have used the term CEM for a number of activities in the provision of Continuing Educational Material and Children's Educational Material, in particular for 11+ exams for state and private school admissions as well as Sats preparation. CEM is also used by various other organisations as a registered and unregistered mark. The proprietor has a policy of not providing preparation material in the activities of the Children's Educational Material, especially for 11+ exams. Should the proprietor decide to offer services then the public may assume that they came from me, when in fact they would be trading upon my reputation and mislead the public. The proprietor does not currently sell its services to the public and whereas as I do not sell to its clients. The mark would also violate other organisations who use the CEM mark in their activities.

The CEM mark should not be used as a trademark as it is generic by virtue of being so widely used, so not capable of distinguishing the services of the proprietor to that of others.

The proprietor has never actually used CEM as a trademark. It has only ever used it as a acronym to Centre for Evaluation and Monitoring.

The proprietor has registered CEM in bad faith and abusively used it to launch dubious action using false information to transfer domains to itself and harming my mark and to steal web traffic.

11. The University denies the grounds. It claims that the mark was registered in good faith in order to protect the substantial reputation and goodwill owned by the University over the thirty year period in which CEM has been operational. Over this period, the mark has become internationally recognised in association with excellence in the provision of testing services to schools, including 11 plus testing services. The University denies the passing off claim; it states that it has gone to significant lengths to distance its mark from Mr Matalia's goods and services because it considers them to be damaging to its own business and reputation. It claims that it has been recognised in three sets of proceedings between the University and Mr Matalia (all found in the University's favour) that Mr Matalia is the one who is passing off. The University states that it has a co-existence agreement with the College of Estate Management.

The hearing

12. A hearing was held on 1st March 2016 via teleconference. Mr Matalia appeared on his behalf and on behalf of Alpha. Rachael Clark, a Legal Support Officer at the University of Durham, listened to the hearing but took no active part in it.

The evidence

13. The University's evidence comes from Ms Paulina Lubacz, who is its Chief Operating Officer (previously the University's Registrar and Secretary). Mr Matalia has filed evidence in his own invalidation action and also on behalf of Alpha, in his capacity as Alpha's Director.

14. Ms Lubacz's first witness statement is dated 6 May 2015. She states that the "Centre for Evaluation and Monitoring (CEM)" was established over thirty years ago. The University acquired it within the last twenty years. It is now one of the University's departments. Ms Lubacz states that CEM is one of the largest

independent providers of educational assessment and monitoring systems in the world; its assessments are used in more than fifty countries in relation to over one million children. The University delivers, through CEM, paper and computer-based services to schools, trusts and local authorities in the UK. Ms Lubacz states that the services include '11 plus' tests for ten and eleven-year old children, which is a grammar school selection test. It is the University's policy not to make any legitimate practice materials available to the public commercially. Ms Lubacz explains that this policy is an attempt to ensure that testing is as fair as possible and does not rely upon excessive preparation.

15. Ms Lubacz states that CEM has been known as 'CEM' and/or the 'Centre for Evaluation and Monitoring' for the entire thirty-year period over which CEM has been trading and has never been known by any other name or mark.

16. Ms Lubacz states that the University has had a history of issues with Mr Matalia which date back to January 2013. It came to the attention of the University that a website, cem11plus.co.uk, had been set up (and registered to Mr Matalia). This website provided information about the testing services supplied by the University. The website also published material in which the University holds copyright. Ms Lubacz states that much use was made by Mr Matalia of 'CEM' but, at that point, only in reference to the University's Centre for Evaluation and Monitoring. Ms Lubacz states that at this point in time, Mr Matalia's website was not being used to sell goods and services directly; it was used as a point of advertising for Mr Matalia's other businesses. Attached to Ms Lubacz's witness statement, as Exhibit PL1, are prints taken from Mr Matalia's site in January 2013. The prints are highlighted in yellow where, according to Ms Lubacz, the material is copyright to the University. I note that the title of the first page of the prints from Mr Matalia's website says:

"CEM 11+

CEM is the Centre for Evaluation and Monitoring at the University of Durham".

17. The first paragraph says:

"CEM is one of the largest independent providers of educational assessment and monitoring systems in the world and sets 11-plus tests for various English grammar schools and regions, including Bexley; Birmingham; Buckinghamshire; CCHS (Essex); Henrietta Barnet; Shropshire; Walsall; Warwickshire, and Wolverhampton.

...

Past CEM 11-plus papers are not released and cannot be purchased. Usually, two weeks before the test, applicants receive a sample sheet containing example questions.

...

Because CEM 11+ past papers are not released, it is possible for past questions to appear in future papers particularly in the numeracy section. Vocabulary may also be [sic] reappear.”

18. Pages with sample questions from Mr Matalia’s website are headed

“CEM 11+

CEM is the Centre for Evaluation and Monitoring at the University of Durham”.

Some of the sample questions are highlighted in yellow; these are the sections which Ms Lubacz states are material in which the University owns the copyright.

19. A disclaimer appears at the end of the yellow-highlighted sample questions on Mr Matalia’s website:

“The Centre for Evaluation and Monitoring is an independent not-for-profit research group based at Durham University and neither are associated with cem11plus.co.uk. The views expressed are those of cem11plus.co.uk. All tradenames and trademarks are acknowledged.”

20. Another disclaimer states:

“The copyright of these sample questions belong to CEM. © 2008-2012. They may be used for personal use only. All tradenames and trademarks acknowledged.”

21. Ms Lubacz states that the University corresponded with Mr Matalia at length regarding the use of the website and use of the CEM mark. No amicable solution was reached and so the University filed Nominet and UDRP¹ proceedings against Mr Matalia on the grounds of abusive registration of cem11plus.co.uk and cem11plus.com. The University was the successful party in both sets of proceedings and both domain names were transferred to it as a consequence of its success. The Nominet and UDRP domain name dispute decisions are exhibited at PL2 and PL3, dated 9 November 2013 and 5 December 2013, respectively.

22. Ms Lubacz states that the University understands that Mr Matalia now claims that use of the acronym CEM is due to his website trading in ‘Children’s Educational Materials’. Ms Lubacz says that this is a recent development because there was no reference to this on his websites prior to 2013, as evidenced in Exhibit PL1.

23. Ms Lubacz exhibits various flyers, pages from magazines, cover pages of tests, advertising materials and promotional products which she states show a long history of use of the two marks relied upon by the University. Not all of the exhibits (PL6 to PL22) are dated. The exhibits which are dated and are UK-based are as follows:

¹ Uniform Domain-Name Dispute-Resolution.

- PL7: a 30 year anniversary event advertising flyer, dated 23 September 2014. The flyer clearly refers to “*CEM’s ‘what works in schools’ event*” as being a 30 year event: “*To mark CEM’s 30th anniversary..*”. The composite mark ‘CEM Centre for Evaluation and Monitoring’ appears at the top of the flyer (along with the words Durham University).
- PL8: ‘CEM Connect’ magazine. This is dated Spring 2015, so after all the relevant dates. However, there is a report in the magazine about the results of the Research Excellence Framework 2014. The Framework is the method by which the quality of research in UK universities is assessed. A major review takes place approximately every eight years. “*The results highlighted that overall 81% of research conducted by CEM and the School of Education was considered to be of internationally excellent quality or world leading and that it had a 100% impact (meaning that research has led to a change in practice and policy beyond academia).*” Page 4 of the magazine refers to a decade-long relationship between Dumfries and Galloway Education and Community Services and CEM.
- PL9: a flyer showing the same composite mark and deferring to ‘CEM’ in the text: “*To find out how CEM can help your school contact:...*”. This is dated 28 September 2010.
- PL10 is a flyer dated 22 July 2010. It appears to have been designed for use in connection with an exhibition or seminar. It is headed with the mark CEM and says that 50% of Scottish Councils use ‘our’ systems: “*Start using CEM’s systems and see how they can aid school improvement...Find out more about CEM’s Assessment for Excellence*”. Visit us on stand D37 and see a demonstration.” The University’s name and logo appears at the bottom of the page.
- PL12 is the cover page of a magazine from Autumn 2009. The composite mark ‘CEM Centre for Evaluation and Monitoring’ appears above the heading ‘CEMCONNECT’. Examples of use of the mark CEM include: “*CEM has been collating and statistically analysing GCSE results from schools and colleges from around the UK for over 20 years. CEM’s Yellis Manager, Neil Defty, comments on the steady upward shifts that have been occurring (based on CEM’s research) and discusses some of the factors involved.*”
- PL13 is a flyer advertising a conference on 28 October 2008; this appears to be an older form of the mark in which the letters CEM are more stylised and appear above the word Centre. I note that advertising literature during 2008-9 also referred to the CEM Centre (see exhibit PL17).

- PL18: A page dated Autumn 2007 simply called “Newsletter” has contact details in the margin “PIPS Project, CEM Centre, Durham University”.

24. Ms Lubacz states that the University has sold goods and services under the marks relied upon as follows:

2009/2010: £5.8m
2010/2011: £6.0m
2011/2012: £5.6m
2012/2013: £5.8m
2013/2014: £6.6m

25. Ms Lubacz states that the amount (within the above figures) generated from 11+ testing is:

2006: £56,034
2007: £28,034
2008: £149,246.01
2009: £127,217.96
2010: £192,055.83
2011: £166,943.70
2012: £328,694.58
2013: £564,788.63
2014: £701,598.76

26. Advertising expenditure for goods and services marketed under the CEM brand ranged from £57,000 in 2009/10 to £101,000 in 2013/2014.

27. Mr Matalia filed four witness statements. In his first witness statement, dated 6 May 2015, he states that he lifts privilege on his exhibits which are marked without prejudice and which originate from him. I have not summarised all of his evidence as much of it consists of submissions and opinion, rather than fact, and I do not consider all of the historical factual material he provided to be relevant.

28. Mr Matalia states that he, as a sole trader, and Alpha used CEM in 1989, as an unregistered mark “*for products developed for Continuing Educational Material (CEM) in Foxbase2.1 and distributed in Clipper*”. Mr Matalia does not say what the products were. I understand that Foxbase and Clipper are software database packages. The products were called Medi-Case CEM and Medi-Choice CEM. Mr Matalia exhibits at AM1 the following which he states is an MS-DOS screen shot from 1991:

MS-DOS based

MEDI-CASE CEM and
MEDI-QUEST CEM

Continuing Educational Material installation instructions from 1991.

Batch file. *

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To install onto a hard disk in directory:  
C:\CIT  
Put floppy in drive A: and type  
INSTALL  
Alternatively just copy the files on the floppy  
onto your hard disk using the DOS command  
COPY A:*. * or COPY B:*. * etc  
  
To run MEDI-QUEST CEM type QUEST  
To run MEDI-CASE CEM type CASE  
To run UGADEMO type UGADEMO  
If you have any problems the please contact:  
C.I.T. 1 Poppyfield Court, Coventry, CV4 7HU. Tel (0203) 416 970  
Updated: 19.06.91  
C:\Compaq\CASE>
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Mr Matalia told me at the hearing that MEDI-QUEST CEM and MEDI-CASE CEM were software packages for pharmacists to help them with their continuing learning. There is no evidence about the extent of the sales of such products.

29. Exhibit AM2 consists of a screenshot from a webpage on the site matalia.co.uk. The page is not dated but carries copyright claims of 2002-2011. It cannot therefore be from before 2011. The page is headed 'Certify Study'. There is nothing on the page itself which identifies its intended users. However, there are numerous references to CPD, so it was obviously aimed at professionals with CPD requirements. At the hearing, Mr Matalia told me that it was aimed particularly at pharmacists. The letters CEM appear on this webpage, but are clearly used as an abbreviation of the words 'continuing educational material'. The letters first appear in brackets after those words. This is plainly not trade mark use of CEM.

30. Mr Matalia's evidence is that CEM was also used for paper-based Children's educational Methods (CEM) and Children's Educational Material (CEM) for primary school education. He states that CEM was also used on the websites CoolCleverKids.co.uk (from 2009) and WordBuilder.co.uk from 2011. Exhibit AM3 consists of two screen shots from these websites. I note that they have respective copyright dates of 2008-2013 and 2010-2013. The pages shown in evidence cannot therefore be from before 2013. The pages list towns in the UK which administer their own 11+ examinations. The following appears as a heading on both screens: 'CEM 11 Plus (Children's Educational Material for the 11+)'.

31. In her reply evidence, Ms Lubacz questions the genuineness of exhibits AM1-3, particularly AM3, which the University considers to have been created specifically for the purpose of these proceedings. She refers to her evidence and states that, in

January 2013, when the issues with Mr Matalia first came to the attention of the University, the only reference to CEM on the sites was the reference to the University: as per my summary in paragraph 18, above.

32. Mr Matalia states that he registered the domain CEM11plus.co.uk and launched a website on 4 January 2013, developed and run by Alpha, covering 'Children's Educational Material (CEM) for the 11+'. He says that the site went live within a few days, on a not-for-profit basis. Mr Matalia points out that the only mark which the University had at this time was 2620085 (the composite mark relied upon by the University in these consolidated proceedings). Mr Matalia states:

"After threats from Durham, Durham was contacted and on 11th January, 2013 Michael Cuthbertson from Durham made **false** statements stating via email: "All I can comment is the acronym CEM is in fact an abbreviation of the Centre for Evaluation and Monitoring and is also a registered trade mark of Durham University."

33. Exhibit AM7 is a copy of an email which Mr Matalia sent to the College of Estate Management, on 17 January 2013, suggesting that the College monitor its own CEM trade mark as he suspected that the University of Durham "*will soon attempt to trademark it for educational use*" and suggesting the College consider whether it should lodge an objection. Again, this has no bearing on the issues in this case; but, for the record, Ms Lubacz has filed reply evidence to show that the University and the College for Estate Management came to an agreement over the University's use of CEM.

34. Mr Matalia states that, at the end of January 2013, CEM 11+ was used on his website "*and was used on all products sold from the first week of February 2013*", as an unregistered trade mark. He does not expressly state what these products were, and he does not say how many products were sold, or to whom.

35. Exhibit AM15 comprises three undated screenshots bearing the sign CEM 11+. They appear to show that various practice or mock test papers could be purchased from the website cem11plus.co.uk. The most prominent uses of CEM 11+ are associated with the letters 'tm' indicating that the sign is considered a trade mark. However, there is also use of 'C.E.M. Children's Educational Material for the 11+', which gives the impression that the letters CEM are an abbreviation for the description 'Children's Educational Material'.

36. I note that the webpages contain links to other sites, one of which references the CEM Centre for Evaluation and Monitoring at Durham, i.e. the University's business. One of the screens shows a pop-up sub-screen such as might appear if a mock test is being purchased. This shows that such papers costs around £8. I further note that the sub-screen contains a disclaimer that the site is not associated with CEM Centre for Evaluation and Monitoring.

37. At this time (30 January 2013), Mr Matalia claims that the University's website stated:

"Selection Assessment Services. CEM have been developing selection assessments since 1999. We now deliver both paper and computer-based services to a broad range of schools, trusts and authorities, for children predominantly of ages 10 to 11 years".

38. However, Mr Matalia states that the University did not use CEM as a trade mark and the TM symbol was never used on their website. He says CEM was merely an acronym for Centre for Evaluation & Monitoring and that the application by the University for the trade mark CEM (the subject of Mr Matalia's invalidation application) was abusive, to block him from using the mark. He also claims that the services applied by the University for are so wide that it is clear that the University had no intention of using the mark in all the areas specified; hence the mark was applied for in bad faith.

39. Exhibit AM18 is said to support this claim. Mr Matalia describes the exhibit as the University admitting that it had no plans to use the CEM mark in many areas of the registered mark (i.e. the services in classes 41 and 42). The exhibit consists of an email dated 10 November 2014 from info.access@durham.ac.uk to an Eric Yuen. The subject filed says "RE: Freedom of Information Request. The body of the email says:

Dear Mr Yuen,

Thank you for your request for information from Durham University. Please see our response below.

Has the University of Durham via its CEM Centre for Evaluation and Monitoring unit or otherwise produced or sold or supplied any of following products or intends to produce, sell or supply any of the following product within the next 5 years under the 'CEM' mark or 'CEM 11+' mark or 'CEM 11 plus' marks any of the following:

Stationery, including, paper, cardboard, envelopes, greetings cards, headed paper, sticky notes, diaries, organisers notebooks, calendars; folders; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); plastic materials for packaging printers' type; printing blocks.

Stationery, including, paper, cardboard, envelopes, greetings cards; headed paper, sticky notes, diaries, organisers notebooks.

CEM has produced a variety of branded stationery for promotional purposes. In terms of future plans, information not held.

Entertainment; sporting and cultural activities, library services; publication of provision of recreational and sporting facilities.

No. In terms of future plans, information not held.

Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware installation, maintenance and repair of computer software; computer consultancy services; design, drawing and commissioned writing for the compilation of web sites; creating, maintaining and hosting the web sites of others; design services; evaluation of performance against bench-mark references; information, consultancy and advisory services relating to all the aforesaid services; all the aforesaid services including those provided online from a computer database or the internet.

Preparation material for 11+ selective exams.

If so, please specify which ones are currently supplied or have been and for which there are plans.

Yes - CEM IBE, MidYIS, Yellis, InCAS, Assessment for Excellence, iPIPS, CEM entrance tests, associated information provision, advisory services and consultation. In terms of future plans, information not held.

I hope this information is useful.

Yours sincerely,

Durham Burt
Deputy Information and Data Protection Manager
Governance and Executive Support
Durham University

40. Mr Matalia states that the tests set by the University are never branded CEM 11+ tests. They are named by reference to the town or area; e.g. Gloucestershire Grammar School tests. Mr Matalia states:

“During Nominet proceedings, Durham admitted its unit was known as CEM Centre from [sic] Evaluation & Monitoring” or “Centre for Evaluation & Monitoring”, or “CEM Centre” and therefore not simply “CEM”.”

41. Mr Matalia exhibits (at AM12) an email which he states shows that there was no confusion between the parties. It is from a Russell Cusack to cem11plus, on 18 September 2013, and says that he knows there is no link to ‘CEM’. Mr Matalia states that, following expressions of concern by the University, he ensured that his site carried disclaimers and a tick box for customers to confirm that they understood that there was no association with CEM Centre for Evaluation & Monitoring.

42. Mr Matalia exhibits (at AM20) a screenshot of a search carried out (it is not clear when) on acronymfinder.com for CEM. Thirteen results were obtained, one of which is ‘Children’s Educational Material’; others include Center for Electro-Mechanics (presumably in the US); Consulting, Engineering and Management Co Ltd (a company); a club in France, and Chinese Energetic Medicine. I have not listed them all. Mr Matalia also lists a number of UK entities, such as Centre for Environmental Management (CEM) at Nottingham University, School of Clinical and Experimental Medicine (CEM) at Birmingham University; and four Oxford dictionary references: customer experience management, certified emergency manager, certified energy manager and certified in exhibition management. Mr Matalia claims this means that the University’s word mark should not have been accepted for registration as it is devoid of any distinctive character, being a widely used acronym.

43. Mr Matalia states that the University’s Nominet proceedings were only successful on the basis of the word-only registration CEM (which he is attacking). He states that this was an abusive registration (i.e. applied for in bad faith) because:

(i) The University wanted his domain names (cem11plus.co.uk, cem11plus.com, cem11plus.eu). The University “*was informed*” it had no rights to the word mark CEM and transfer of the domain names was refused.

(ii) The University then filed for the CEM trade mark (2654219) and then filed the domain name proceedings, Mr Matalia says to ‘steal’ the domain names. The actions would ‘arguably’ have failed without the trade mark registration.

(iii) The University diverted the domain names to their own website, but they have no use for them except to block Mr Matalia’s use of them.

41. Mr Matalia filed a copy of an email from Mr Cuthbertson at the University to ‘mark@talktalkonline.co.uk’ on 11 January 2013. Mr Matalia states that he owns the

talktalkonline.co.uk domain name. There is no context and it is not clear who 'Mark' is. The email states:

"Dear Mark,

All I can comment is the acronym CEM is in fact an abbreviation of the Centre for Evaluation and Monitoring and is also a registered trade mark of Durham University.

As I am unaware of the reasons for this enquiry we are obliged to be cautious in responding to you in any further detail. Regards

Mike"

42. Ms Lubacz responded, in her reply evidence, to what Mr Matalia says about the University's motives for registering its CEM mark. She states that the University has been trading under the mark for well in excess of twenty years and that it filed the application for registration of CEM specifically to formalise and strengthen its unregistered rights to the mark. She states that the University had no obligation to inform Mr Matalia of this registration and it was not abusive. She claims that the University's unregistered right to CEM predates any relevant use by Mr Matalia. The application was therefore made in good faith to protect the University's reputation and the goodwill accrued under the mark.

43. Mr Matalia's fourth statement consists of material obtained from the University's website and the WayBack machine. According to this material, the relevant part of the University was originally part of Newcastle University and known as the Curriculum, Education and Management Centre (or CEM Centre). It became part of Durham University in 1996. In September 2009, the University's website still carried a page showing that in Spring 2008 it was still called the CEM Centre. Mr Matalia therefore claims that the relevant part of the University did not become known as the Centre for Evaluation and Monitoring until the end of 2008.

44. The University were given an opportunity to respond to this evidence, but decided not to do so.

Decision on Mr Matalia's application to invalidate trade mark 2654219

45. Section 47(1) and 47(2) of the Trade Marks Act 1994 state:

“(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection 1(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground—

(a) ...

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of the earlier trade mark or other earlier right has consented to the registration.”

46. Sections 3(1)(b) and (d) of the Act state:

“3.— (1) The following shall not be registered –

(a) ...

(b) trade marks which are devoid of any distinctive character,

(c) ...

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practice of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

47. Section 72 of the Act states:

“In all legal proceedings relating to a registered trade mark (including proceedings for rectification of the register) the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration and of any subsequent assignment or other transmission of it.”

The burden of proving that the mark registered under 2654219 does not meet the *prima facie* requirements of section 3 therefore rests on Mr Matalia.

48. I turn first to the ground for invalidation based on s.3(1)(d). In *Telefon & Buch Verlagsgesellschaft mbH v OHIM*, Case T-322/03, the General Court addressed the identical requirements of article 7(1)(d) of the Community Trade Mark Regulation and stated that:

“49 Article 7(1)(d) of Regulation No 40/94 must be interpreted as precluding registration of a trade mark only where the signs or indications of which the mark is exclusively composed have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services in respect of which registration of that mark is sought (see, by analogy, Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 31, and Case T-237/01 *Alcon v OHIM – Dr. Robert Winzer Pharma (BSS)* [2003] ECR II-411, paragraph 37). Accordingly, whether a mark is customary can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought, even though the provision in question does not explicitly refer to those goods or services, and, secondly, on the basis of the target public’s perception of the mark (*BSS*, paragraph 37).

50 With regard to the target public, the question whether a sign is customary must be assessed by taking account of the expectations which the average consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect, is presumed to have in respect of the type of goods in question (*BSS*, paragraph 38).

51 Furthermore, although there is a clear overlap between the scope of Article 7(1)(c) and Article 7(1)(d) of Regulation No 40/94, marks covered by Article 7(1)(d) are excluded from registration not on the basis that they are descriptive, but on the basis of current usage in trade sectors covering trade in the goods or services for which the marks are sought to be registered (see, by analogy, *Merz & Krell*, paragraph 35, and *BSS*, paragraph 39).

52 Finally, signs or indications constituting a trade mark which have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services covered by that mark are not capable of distinguishing the goods or services of one undertaking from those of other undertakings and do not therefore fulfil the essential function of a trade mark (see, by analogy, *Merz & Krell*, paragraph 37, and *BSS*, paragraph 40).”

49. The target, or relevant, public for the University’s registered services must be considered on a notional basis for the services registered (not just the public to which the services may or may not actually have been provided). The target public includes those seeking education, entertainment, those providing it (the examination

and assessment services), the general public who visit libraries, those taking part in sport, research establishments, and the general public and businesses seeking computer related services. The target public, therefore, includes both professionals and the general public.

50. Mr Matalia refers to the fact that the College of Estate Management had an earlier CEM mark and that this shows that the University's CEM mark cannot be an exclusive mark. The evidence indicates that the University and the College of Estate Management have an agreement. In any event, the College of Estate Management appears to use CEM as a trade mark. In *Nude Brands Ltd v Stella McCartney Ltd*², Floyd J. (as he was then) stated that:

“29. Whilst the use by other traders of the brand name NUDE in relation to perfume may give those traders relative rights to invalidate the mark, it does not give those rights to any defendant. I am not at this stage persuaded that this evidence has a bearing on any absolute ground of invalidity. It certainly does not go as far as establishing ground 7(1)(d) - customary indication in trade. Ground 7(1)(b) is concerned with the inherent character of the mark, not with what other traders have done with it. The traders in question are plainly using the mark as a brand name: so I do not see how this use can help to establish that the mark consists exclusively of signs or indications which may serve to indicate the kind or quality or other characteristics of the goods, and thus support an attack under 7(1)(c).”

Consequently, trade mark use by third parties is irrelevant to the question of whether CEM had become customary in the current language or in the bona fide and established practices of the trade by the first relevant date.

51. For the same reason, Mr Matalia's own claimed use of CEM is irrelevant to the ground for invalidation under s.3(1)(d) (and s.3(1)(b)). This is because, firstly, Mr Matalia himself states that he has used CEM as an acronym for Continuing Educational Material and as a trade mark. Secondly, the extent of Mr Matalia's use of CEM is entirely unclear. Consequently, even if it was other than trade mark use, there is no reason to believe that such use was on such a scale that the letters CEM had become “customary” in the current language or in the *bona fide* and established practices of the trade by the first relevant date.

52. Mr Matalia exhibits an undated screenshot of a search from acronymfinder.com. There is no information about the provenance of this site; it may be a US site (the domain name suffix not being co.uk) and it may be open to anyone to contribute to as in the Wikipedia. Apart from Children's Educational Material, the other 12 entries include some from outside of the UK, and abbreviations for companies, e.g. Consulting, Engineering & Management Limited. The evidential burden is on Mr Matalia to establish that, at the first relevant date, CEM was customary in the current

² [2009] EWHC 2154

language (of the UK) or in the *bona fide* and established practices of the (UK) trade for the services covered by the registered CEM mark. This undated evidence, from a source of unknown compilation, and with no corroboration, is not sufficient to make out the section 3(1)(d) ground for invalidation.

53. The purpose of section 3(1)(b) is to prohibit registration of signs which may not fall foul of the clear parameters set by sections 3(1)(c) and (d), but nevertheless do not fulfil the function of a trade mark in identifying the goods and services of one undertaking from those of other undertakings. The Court of Justice of the European Union (“CJEU”) said in *SAT.1 Satellitenfernsehen GMBH v OHIM*³:

“23 First, the essential function of a trade mark is to guarantee the identity of the origin of the marked product to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin (see, in particular, Case 102/77 *Hoffmann-La Roche* [1978] ECR 1139, paragraph 7, and Case C-299/99 *Philips* [2002] ECR I-5475, paragraph 30). Article 7(1)(b) of the regulation is thus intended to preclude registration of trade marks which are devoid of distinctive character which alone renders them capable of fulfilling that essential function.

24 Secondly, in order to determine whether a sign presents a characteristic such as to render it registrable as a trade mark, it is appropriate to take the viewpoint of the relevant public. Where the goods or services with which the registration application is concerned are intended for all consumers, the relevant public must be deemed to be composed of the average consumer, reasonably well-informed and reasonably observant and circumspect (see Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 26, and Case C-104/01 *Libertel* [2003] ECR I-3793, paragraph 46).

.....

27 Furthermore, in view of the extent of the protection afforded to a trade mark by the regulation, the public interest underlying Article 7(1)(b) of the regulation is, manifestly, indissociable from the essential function of a trade mark, as observed in paragraph 23 above.”

54. For the reasons stated earlier, Mr Matalia's claimed use of CEM is insufficient to support this ground for invalidation. Nor is the evidence of third parties using CEM as trade marks. The undated acronym evidence is also insufficient to support this ground because it does not establish that average consumers of the relevant kinds wouldn't see CEM as a trade mark for the services covered by the registration. In this connection, I note that the letters CEM in the registered mark are not explained, for example by listing the words for which they are meant to be an acronym. The mark is simply CEM. In any event, the Centre for Evaluation and Management comes across as the name of an undertaking, not just a description of the goods or

³ Case C-329/02 P

services (such as, for example, 'continuing educational material'). In my view, the mark has the inherent capacity to distinguish the registered services of one undertaking from another. Consequently, the section 3(1)(b) ground also fails.

55. Section 5(4)(a) of the Act states:

"A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom 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, or

(b)...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of "an earlier right" in relation to the trade mark."

56. Halsbury's Laws of England (4th Edition) Vol. 48 (1995 re-issue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

57. In order to succeed under this ground Mr Matalia must prove that he could have prevented use of the University's mark at the first relevant date because of his business's goodwill under CEM. Further, as the University claims to have been using its mark prior to this date, this must be taken into account in order to ascertain whether Mr Matalia could have stopped the University's from using CEM at the first relevant date⁴.

58. Whether Mr Matalia had the necessary goodwill has to be deduced from the evidence which he has filed. In *Reef Trade Mark*⁵, Pumfrey J said:

"There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX) (1946) 63 R.P.C. 97* as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on."

and

"Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur."

59. In *Minimax GmbH & Co KG v Chubb Fire Limited*⁶, Floyd J, referring to Pumfrey J's observations, said:

"8 Those observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application."

⁴ *Roger Maier and Anor v. ASOS plc and anor* [2015] EWCA Civ 220

⁵ [2002] RPC 19

⁶ [2008] EWHC 1960 (Pat)

60. Mr Matalia claims that he has used the sign CEM since 3 February 1989 throughout the UK in “*Continuing Education Material MS-DOS based computer applications: Medibase and Mediquest and on .NET websites Eg:www.certifystudy.co.uk, now transferred to other sites.*” The evidence consists of (i) an MS-DOS screen shot showing instructions for installing a disc for computer software called MEDI-QUEST CEM and MEDI-CASE CEM, with a date of 19.6.91, (ii) a screenshot from 2011, or later, showing use of CEM only as an abbreviation for continuing educational material, (iii) screenshots from CoolCleverKids and Wordbuilder websites (exhibit AM3) with copyright dates ending in 2013, and which could therefore have been created after the first relevant date of 8th February 2013.

61. There is no other documents to support Mr Matalia’s claim that his unregistered CEM mark was used in relation to study material sold to anyone. Further, even I accept at face value Mr Matalia’s claim that CEM 11+ was used as a trade mark on the CoolCleverKids and Wordbuilder websites, and that products were sold from those sites in the first week of February 2013 (and that the products were test examination papers), there is no evidence as to the number of such sales under the CEM mark, or the income derived from such sales.

62. This is important because the “*first week in February 2013*” is just days (possibly a day) before the first relevant date. In *Hart v Relentless Records*⁷, Jacob J. (as he then was) stated that:

“In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge’s finding). Again that shows one is looking for more than a minimal reputation.”

63. Even if Mr Matalia’s business had made sales under the CEM 11+ mark prior to the first relevant date, he has not shown that they were anything other than trivial in extent. Consequently, in my judgment, he has failed to establish that he owned an earlier right to the letters CEM at the first relevant date.

⁷ [2002] EWHC 1984 (Ch)

64. I record here that Ms Lubacz challenged the genuineness of the screenshots shown as exhibit AM3. Mr Matalia submitted that it was not open to Ms Lubacz to challenge the authenticity of his evidence without asking to cross examine him on it. I see no reason to doubt the authenticity of this evidence. However, even if it is genuine, it does not establish that Mr Matalia or his company had acquired goodwill under CEM 11+ by the first relevant date.

65. Further, even if I had come to the view that Mr Matalia's evidence established that he owned a small goodwill under the mark CEM 11+ at the first relevant date, I would have rejected his claim to have a passing off right against the University. Mr Matalia was heavily critical of the University's claim to have used CEM since 1991. There is some justification in his criticisms. It appears that the University did not start using CEM until 1996. From then until 2008 the relevant part of the University was called the CEM Centre. At that time CEM Centre was short for Curriculum, Education and Management Centre. However, this does not mean that CEM was not, even at that time, distinctive of the University's education services. For example, the Institute of Trade Mark Attorneys was formally called the Institute of Trade Mark Agents. At all times it has been commonly known in the intellectual property field as ITMA. ITMA was no less distinctive of that organisation before or after its full name changed around 1994. Similarly, the University's claim to have established its own common law right to the sign CEM by the first relevant date is not undermined by evidence that those letters have not always stood for the same words. The nature and extent of the University's use of CEM Centre since 2006 in relation to, in particular, examination testing services, and then, from 2009, of CEM as a shortened form of the name 'Centre for Evaluation and Monitoring', would have been more than sufficient to defeat a claim for passing off brought by Mr Matalia as at the first relevant date on the basis of the evidence he has placed before me.

66. Mr Matalia implicitly acknowledged that CEM was distinctive of the University when he candidly stated on his website in January 2013 (i.e. just before the first relevant date) that:

"CEM 11+
CEM is the Centre for Evaluation and Monitoring at the University of Durham".

"CEM is one of the largest independent providers of educational assessment and monitoring systems in the world and sets 11-plus tests for various English grammar schools and regions..." (emphasis added)

67. When I asked him about the significance of this statement to his denial that the University had any goodwill under CEM, Mr Matalia sought to distance himself from the statement. He told me that his website developers in India had come up with it and he stressed that the website in question was only a test version. I do not find it plausible that anyone other than Mr Matalia was responsible for the content of this

website. It tells its own story about what he thought CEM meant in the field of education in January 2013.

68. The ground for invalidation based on s.5(4)(a) fails because Mr Matalia did not own any/sufficient goodwill in CEM or CEM 11+ as of the first relevant date. Further, even if he had made some limited trade mark use of CEM/CEM 11+ by that date in relation to educational material, the letters CEM were by then distinctive in the education field of the University's services. Consequently, he would have had no right to sue the University for passing itself off as him.

69. Section 3(6) of the Act states:

“3.— (6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

70. The relevant case law was summarised by Arnold J in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited*⁸:

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C-529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

⁸ [2012] EWHC 1929 (Ch)

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a

Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

Is a possible or conditional future intention to use enough?

161. If the UK's requirement for a declaration of intention to use is compatible with the Directive, and the making by the applicant of a false declaration of intent to use can amount to bad faith, the next issue concerns the intention which the applicant must have in order to be able to declare in good faith that he intends to use the mark in relation to the goods or services specified in the application in the UK. Counsel for the Defendants submitted that a concrete present intention was required, whereas counsel for Red Bull submitted that a possible or contingent future intention was sufficient.

162. In *Knoll* Neuberger J said that "whether a contemplated use, or a possible or conditional intention to use, can suffice must depend upon the circumstances". In that case, he found that the proprietor had had a definite intention to use the mark in relation to pharmaceutical preparations for the treatment of obesity and contemplated that it might use the mark in relation to other pharmaceutical products. In those circumstances he held that it was unarguable that the proprietor had acted in bad faith by making a false declaration that it intended to use the mark in relation to pharmaceutical preparations and dietetic substances. In *32Red* the Court of Appeal appears to have accepted that a possible future use of the mark in relation to the services applied for was enough to defeat an allegation of bad faith on the ground of lack of intention to use in the circumstances of that case, albeit without any detailed consideration of the law.

163. Neuberger J's statement in *Knoll* appears to me to be not only correct in principle, but also supported by the subsequent jurisprudence of the CJEU in *Lindt v Hauswirth and Internetportal v Schlicht*. I therefore conclude that a possible or contingent intention to use the mark at some future date may suffice. Whether it does suffice will depend on all the circumstances of the case, and in particular whether there are other factors present of the kind mentioned in paragraph 139 above."

71. There are two possible parts to this claim:

(i) The University's application was made in bad faith because it is a 'blocking' application; and,

(ii) The University does not have an intention to use the mark on some of the goods and services applied for (which are unspecified).

72. The University has traded in the educational field under CEM Centre, Centre for Evaluation and Monitoring, and it uses CEM as a shortened form of its full name. In these circumstances, Mr Matalia's claim that the CEM mark was registered simply to block use of that sign by him or his company is untenable. I reject it accordingly.

73. The second possible part of Mr Matalia's section 3(6) claim could be a 'no intention to use' point. However, it is unclear whether the claim is partly about just the scope, or breadth, of the services in the application for registration, or whether it is an extension of the 'blocking' claim; i.e. that the University was trying to block Alpha/Mr Matalia from using or registering CEM marks by applying for a mark it did not intend to use.

74. Ms Amanda Michaels, as the Appointed Person, in *Red Bull GmbH v. Sun Mark Ltd*⁹ stated that:

"47. Where an allegation of bad faith is made, it should be properly and specifically pleaded, and before a finding of bad faith will be made the allegation must also be supported by the evidence."

75. This second part of the s.3(6) ground (if it is distinct from the first part) is ambiguously pleaded. Bearing in mind the variety of research, conferencing, advisory, testing, computer-based and publication services already undertaken under the CEM mark, the services covered by the registered mark are not so wide that there could not have been even a contingent intention to use it in future in relation to the registered services. The University's response to the Freedom of Information Act request merely confirmed that the mark had, or had not, been used, as of 10 November 2014 on certain goods and services and that no information was held about future plans. The University's response does not 'admit' that the University had no plans to use the mark CEM in relation to the services for which it is registered. Having said that, I have myself wondered whether the University had a real intention to use the mark in relation to all the services covered by the registration, particularly the services in class 42. However, as I have already noted, it is not enough to provide circumstantial evidence which is consistent with good faith and bad faith. In other words, just having cause to wonder about the breadth of the University's list of services for the CEM mark is not enough to make out a *prima facie* case of bad faith.

76. Therefore, to the extent that Mr Matalia's bad faith ground is based on a self-standing 'no intention to use' point, I reject it because Mr Matalia has not presented a (clear or) *prima facie* case of bad faith for the University to answer.

⁹ BL O/068/10

77. The section 3(6) ground fails.

Outcome of the application for invalidation of trade mark 2654219

78. Mr Matalia's application for invalidation of the University's mark CEM fails in its entirety. Trade mark number 2654219 therefore remains registered.

The University's oppositions to Alpha's application No. 3055444

79. The application was filed on 14 May 2014 ("the second relevant date") and is to register the trade marks 'CEM 11+' and 'CEM 11 plus' as a series of two marks.

80. The goods and services for which registration is sought are as follows:

Class 9: *Printed publications in electronically readable form including downloadable publications.*

Class 16: *Printed matter and printed publications.*

Class 41: *Educational services; computer based educational services in the provision of preparation material for selective tests for secondary school admissions; computer based educational services namely mock tests, mock exams and study material for use in the preparation for selective secondary school tests and SATs tests.*

81. The University opposes this application under s.5(2)(b) of the Act, based upon the following earlier marks:

(i) 2654219

CEM

(ii) 2620085



82. The earlier marks are registered for:

Class 41: *Education; providing of training; entertainment; sporting and cultural activities; education services; educational assessment services; teaching, tuition and examining services; education information services; the provision of education performance and monitoring indicators; research relating to education; academic and vocational educational services; provision of courses of instruction, lectures and seminars all relating to academic or*

vocational subjects; teaching, tuition and examining in connection with the provision of education, degree, diploma and certificate courses; library services; publication of books, texts and journals; provision of correspondence courses; provision of recreational and sporting facilities; publication services; arranging and conducting of conferences, seminars and workshops; production of teaching reports; information, consultancy and advisory services relating to all the aforesaid services; all the aforesaid services including those provided online from a computer database or the internet.

Class 42: Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software; computer programming; installation, maintenance and repair of computer software; computer consultancy services; design, drawing and commissioned writing for the compilation of web sites; creating, maintaining and hosting the web sites of others; design services; evaluation of performance against bench-mark references; information, consultancy and advisory services relating to all the aforesaid services; all the aforesaid services including those provided online from a computer database or the internet.

83. The University's CEM mark was the subject of the unsuccessful invalidation application considered above (and rejected). The University's composite mark registered under 2620085 was filed on 4th May 2012. Both marks therefore qualify as 'earlier trade marks' (than Alpha's trade mark 3055444).

84. The University also opposes Alpha's application on the ground that registration of the marks would be contrary to s.5(3) of the Act. This ground is based solely on earlier trade mark 2654219 (CEM), which the University claims has a reputation in the UK. The University's case is that use of Alpha's mark would, without due cause, take unfair advantage of, and/or be detrimental to, the reputation and distinctive character of the earlier mark.

85. Section 5(2)(b) of the Act states that:

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

(a)

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

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

86. 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 correct approach

87. The correct approach was set out in the judgment of the Court of Appeal in *Roger Maier v ASOS*¹⁰ as follows:

“77 There are four further matters which I should mention at this stage having regard to the particular issues which arise in this case. The first is that the infringement test is founded upon the mark as registered and not upon material which the proprietor may have used in connection with it.

78 Second, the court must then consider a notional and fair use of that mark in relation to all of the goods or services in respect of which it is registered. Of course it may have become more distinctive as a result of the use which has been made of it. If so, that is a matter to be taken into account for, as the Court of Justice reiterated in *Canon* at paragraph [18], the more distinctive the earlier mark, the greater the risk of confusion. But it may not have been used at all, or it may only have been used in relation to some of the goods or services falling within the specification, and such use may have been on a small scale. In such a case the proprietor is still entitled to protection against the use of a similar sign in relation to similar goods if the use is such as to give rise to a likelihood of confusion.

79¹¹

80 Fourth, the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in *Specsavers* at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion. But conversely, the absence of actual confusion despite side by side use may be powerful evidence that they are not sufficiently similar to give rise to a likelihood of confusion. This may not always be so, however. The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur.” (emphasis added)

¹⁰ [2015] EWCA Civ 220 at paragraphs 78 and 84

¹¹ I have omitted paragraph 79 because it is not relevant to opposition proceedings in which all normal and fair uses of the later mark must be considered: *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*, CJEU, Case C-533/06, paragraph 66.

88. The earlier marks are not subject to proof of use. This means that they must be considered across the notional breadth of all the services for which they are registered.

Comparison of goods and services

89. The parties' respective goods and services are shown in the table below:

The University's registrations	Alpha's application
<p>Class 41: <i>Education; providing of training; entertainment; sporting and cultural activities; education services; educational assessment services; teaching, tuition and examining services; education information services; the provision of education performance and monitoring indicators; research relating to education; academic and vocational educational services; provision of courses of instruction, lectures and seminars all relating to academic or vocational subjects; teaching, tuition and examining in connection with the provision of education, degree, diploma and certificate courses; library services; publication of books, texts and journals; provision of correspondence courses; provision of recreational and sporting facilities; publication services; arranging and conducting of conferences, seminars and workshops; production of teaching reports; information, consultancy and advisory services relating to all the aforesaid services; all the aforesaid services including those provided online from a computer database or the internet.</i></p> <p>Class 42: <i>Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software; computer programming; installation, maintenance and repair of computer software; computer consultancy services; design, drawing and commissioned writing for the compilation of web sites; creating, maintaining and hosting the web sites of others; design services; evaluation of performance against benchmark references; information, consultancy and advisory services relating to all the aforesaid services; all the aforesaid services including those provided online from a computer database or the internet.</i></p>	<p>Class 9: <i>Printed publications in electronically readable form including downloadable publications.</i></p> <p>Class 16: <i>Printed matter and printed publications.</i></p> <p>Class 41: <i>Educational services; computer based educational services in the provision of preparation material for selective tests for secondary school admissions; computer based educational services namely mock tests, mock exams and study material for use in the preparation for selective secondary school tests and SATs tests.</i></p>

90. In *Gérard Meric v OHIM*, Case T-33/05, the General Court stated that:

“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 trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

91. Applying this principle, all of Alpha’s services in class 41 are covered by the University’s term ‘*education*’ and must be considered to be identical.

92. In comparing the respective specifications for the purpose of assessing the similarity of Alpha’s goods in classes 9 and 16 to the University’s registered services, I adopt the approach set out by the CJEU in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where, at paragraph 23 of its judgment, the court stated:

“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.”

93. ‘Complementary’ was defined by the General Court in *Boston Scientific Ltd v OHIM*¹² like this:

“82..... goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking...”.

94. Alpha’s goods in classes 9 and 16 are electronic and paper publications. These are wide terms which cover, e.g. textbooks, course notes, examination papers and practice papers. Although the University does not, as a matter of policy, currently issue practice papers for examinations, it would be entirely normal for a notional provider of ‘*teaching, tuition and examining services*’ to do so. Further, it would be natural for a provider of education services to sell associated textbooks, course notes and examination papers. Alpha’s goods in classes 9 and 16 are therefore complementary to education services. The purposes of the respective goods and services are also self-evidently closely connected, both being to provide and test learning. I find that there is a high degree of similarity between the respective goods and services.

¹² Case T-325/06

Average consumer

95. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

96. The average consumer of the goods and services covered by Alpha's application is likely to be a student or a professional engaged in education. The consumers of the services actually provided under the University's earlier marks appear to be mostly educational professionals, but the end users would include students. In any event, notional and fair use of the earlier marks would include use aimed at both students and education professionals. Such parties are likely to pay an above average level of attention when selecting the goods and services at issue.

97. The purchasing process is likely to be dominated by visual considerations (e.g. websites and printed material), but there is also potential for aural selection of the goods and services, such as word of mouth recommendations, telephone ordering of the goods, and telephone enquiries about educational services.

Comparison of marks


98. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*¹³ 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.”

99. It is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

¹³ Case C-591/12P

100. The respective marks are:

Earlier marks	Application
<p data-bbox="272 376 344 409">CEM</p> 	<p data-bbox="815 376 999 450">CEM 11+ CEM 11 plus</p>

101. The University's CEM mark is simply these three letters. The same three letters dominate the University's composite mark. This is because of relative size of the letters to the other elements, and because the letters appear at the beginning of the mark. However, although the other words and the device element are smaller than the letters CEM they will not go unnoticed and therefore make a more-than-negligible contribution to the distinctive character of the composite mark. Indeed, the words tell the reader (or at least a reader paying an above average level of attention) what the letters CEM stand for.

102. Alpha's marks consist of CEM and 11+ (or plus). CEM contributes more weight to the overall impression of these marks than the numeral element (irrespective of the form of presentation) because CEM is at the beginning of the marks.

103. The University's CEM mark has a high level of visual and aural similarity to Alpha's marks. This is because CEM is the only element of the earlier mark and it appears as a standalone element at the beginning of Alpha's marks, separated from the numerical element '11+/11 plus'.

104. There is no conceptual similarity or dissimilarity between CEM and the corresponding element in the opposed marks. The numerical element in Alpha's marks which will be understood as signifying, in the context of the educational goods or services, the examination commonly known as the 11+. I acknowledge that this element has no counterpart in the University's earlier CEM mark. Therefore, I find that there is a low degree of conceptual dissimilarity between these marks. Despite this I find that, overall, the CEM mark is highly similar to Alpha's marks.

105. I find that there is also a low degree of conceptual dissimilarity between Alpha's marks and the University's composite mark. The composite mark has the added concept of a 'centre for evaluation and monitoring', which is absent from Alpha's marks (although there is nothing in Alpha's marks which prevents the letters CEM from being taken as standing for the same words). Further, the University's

composite mark has the star device. However, neither of these elements are dominant in the composite mark and both elements have only weak conceptual meanings. Overall, I find Alpha's marks to be similar to the University's composite mark to a medium to high degree.

Distinctive character of the earlier marks

106. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*¹⁴ the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

107. I have already found that that the letters CEM as such are not descriptive or generic for the services for which the earlier CEM mark is registered. I find that the CEM mark has a normal, or average, level of inherent distinctive character for the services at issue. The evidence indicates that the distinctive character of the earlier mark has been enhanced through the use made of it by the University prior to the first relevant date. Mr Matalia's website around this time acknowledged that:

“CEM is one of the largest independent providers of educational assessment and monitoring systems in the world and sets 11-plus tests for various English grammar schools and regions, including Bexley; Birmingham; Buckinghamshire; CCHS (Essex); Henrietta Barnet; Shropshire; Walsall; Warwickshire, and Wolverhampton”.

108. This would suggest that CEM had acquired an above average level of distinctive character by the first relevant date, at least to education professionals in the context of education assessment and monitoring services. I see no reason to

¹⁴ Case C-342/97.

doubt that the University's CEM mark was any less distinctive by the second relevant date.

109. The earlier composite mark might be said to have a lower level of inherent distinctive character because the additional words reveal that CEM is short for Centre for Evaluation and Monitoring. However, I do not find that to be the case for two reasons. Firstly, in the educational and scientific fields the words 'Centre for....' are sometimes used to indicate a particular undertaking and its services (as opposed to being just a description of goods or services). Secondly, the evidence indicates that this is precisely how the opponent's composite mark would be understood as a result of the use made of it.

110. I therefore find that the opponent's composite mark also has a normal, or average, degree of inherent distinctive character, and that the mark had acquired an above average level of distinctive character by the second relevant date, at least to education professionals in the context of education assessment and monitoring services.

Likelihood of confusion

111. I find that there is a likelihood of direct confusion with the University's CEM mark. This is because the identity of, or high level of similarity between, the goods and services combined with the high level of similarity between marks is such that the marks are likely to be mistaken for one another. The additional element in Alpha's marks - 11 plus/11 + - is a weak distinguishing element because it will be understood by consumers as designating only the particular type of goods/services being offered, i.e. materials and services provided under the CEM mark for selective tests for 11 year olds, commonly known as 11 + tests. The distinctive part of CEM 11 +/plus is therefore CEM. Mr Matalia points out that the opponent itself does not use the description 11 +/plus tests. However, that is irrelevant to the assessment of the likelihood of confusion. This is because the likelihood of confusion depends (in part) on what relevant average consumers would understand the 11 +/plus element of Alpha's marks to indicate. There can be little doubt that in the context of the applicant's goods/services it will be seen as purely descriptive. Indeed, although it is not determinative of the average consumer's perception of the matter, I note that Alpha itself used 11-plus as a description of the University's services (see the quotation at paragraph 107 above).

112. In the case of the University's composite mark, I find that there is a likelihood of (at least) indirect confusion. That is to say that relevant consumers, including education professionals, will believe that the Alpha's marks are variants of the University's mark and used by the same undertaking, or by an economically related

undertaking. This type of confusion was described by Mr Iain Purvis QC, sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*¹⁵ as follows:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

113. Alpha’s marks are likely to cause relevant consumers (even those paying an above average level of attention) to believe that its goods/services are offered by the same undertaking that offers education and education testing services under the opponent’s composite mark. In other words, that Alpha’s goods/services are connected with the opponent. It does not matter whether Alpha intended to give this impression. It is sufficient that the level of similarity between the respective goods, services and marks is sufficient to create the impression of an economic connection between the users of the marks. Mr Matalia drew my attention to the disclaimers on his website, which he contended would avoid any such confusion. I have my doubts about that, but it is not necessary for me to decide that point. This is because the disclaimers are not part of Alpha’s marks, which could therefore be used with or without them¹⁶. The disclaimers are therefore irrelevant to these opposition

¹⁵ BL O/375/10

¹⁶ See footnote 11 above.

proceedings. And for the sake of completeness, I record here that I would have reached the same conclusions even if I had found that the University's marks had not acquired an enhanced level of distinctiveness through use.

Outcome of the University's opposition to trade mark application 3055444

114. The opposition under s.5(2)(b) succeeds in full.

115. For reasons of procedural economy, I see no need to consider the University's further ground of opposition under s.5(3).

Alpha's oppositions to the University's trade mark applications 3057993 and 3057994

116. The University's applications 3057993 (CEM 11 plus) and 3057994 (CEM 11+) were filed on 31st May 2014 ("the third relevant date"). The applications cover goods in class 16 and services in classes 41 and 42. The services in class 41 and 42 are the same as covered by the University's earlier registrations 2654219 and 2620085¹⁷. In addition, the applications cover the following goods in class 16:

Class 16: Paper, cardboard, envelopes, greetings cards, headed paper, sticky notes, diaries, organisers, notebooks, calendars, books; folders; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks.

117. These applications are opposed by Alpha under sections 5(1), 5(2)(a), 5(2)(b), 5(3) and 3(6) of the Act. The grounds under section 5 are based upon Alpha's earlier filed application, 3055444. The consequence of the refusal of application 3055444 is that Alpha cannot rely upon it for its oppositions against applications 3057993 and 3057994. The remaining ground against these two applications is the section 3(6) ground, which is not dependent upon earlier rights and mirrors the case already considered and rejected against registered mark 2564219. The University denies that these applications were filed in bad faith.

118. The evidence indicates that the University was using CEM in relation to educational services at all the relevant dates. Further, the evidence shows that the University had been providing selective tests for 11 year olds for 8 years prior to the third relevant date. Bearing in mind that these tests are commonly known as 11 + tests, it is untenable for Alpha to contend that the University's applications were 'blocking' applications and that it had no intention to use the marks in future in relation to educational services. Mr Matalia points out that the University has

¹⁷ See paragraph 82 above

adopted a firm policy of not issuing test papers for its examinations. This is said to support Alpha's claim that the University's applications to register the marks in class 16 were made without any intention to use the marks, simply to block use of the marks by Alpha. However, the list of goods in class 16 does not expressly list mock examination papers. And it would be entirely natural for a university to trade in printed educational material under its marks, including with other education professionals who use its education services. I do not therefore consider that Alpha has established a *prima facie* case of bad faith with regard to the University's applications to register these marks for goods in class 16. To the extent that the 'no intention to use' point goes wider than the 'blocking' point, I reject it for the reasons given before. I therefore find that Alpha's bad faith case against these application fails

Outcome of Alpha's opposition to applications 3057993 and 3057994

119. Alpha's oppositions fail in their entirety

The University's opposition to trade mark application number 3077984

120. Alpha's mark was filed on 21st October 2014 ("the fourth relevant date") and is as follows:



121. The application covers the same goods and services as application 3055444¹⁸ as well as the following additional goods in class 9:

Computer software downloaded from the internet. Computer software supplied from the internet. Computer software to enable searching of data.

122. The University opposes this application under sections 5(2)(b) and 5(3)¹⁹ of the Trade Marks Act 1994 ("the Act"), based upon the four earlier trade marks considered above and also trade marks 3056784 (CEM) and 3056785 (the composite mark shown at paragraph 100 above). These marks are also earlier trade marks for the purposes of the University's opposition to application 3077984. These marks add to the University's case only in that they are registered in class 16 for:

Paper, cardboard, envelopes, greetings cards, headed paper, sticky notes, diaries, organisers, notebooks, calendars; folders; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household

¹⁸ See paragraph 89 above

¹⁹ Section 5(4)(a) was also ticked in the list of grounds relied upon for the opposition, but no section 5(4)(a) pleadings were entered on the statutory form of opposition, the TM7.

purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks.

This means that the University has the earlier mark CEM registered in class 16 for 'printed matter' and 'instructional and teaching material', which cover identical goods to those specified in class 16 of application 3077984.

Comparison of goods and services

123. The class 41 specifications of the University's trade marks cover 'education', which is identical to the class 41 services of Alpha's application. As well as being highly similar to the education services for which the University's earlier marks are registered, the goods covered by class 16 are, as noted above, identical to the goods covered by class 16 of earlier marks 3056784/5.


124. I find that there is a high degree of similarity between the 'education' services covered by the University's earlier marks and Alpha's 'printed publications in electronically readable form including downloadable publications'. The other class 9 goods of Alpha's application, i.e. 'Computer software downloaded from the internet; Computer software supplied from the internet; Computer software to enable searching of data' are highly similar to the University's 'design and development of computer hardware and software; computer programming; installation, maintenance and repair of computer software; computer consultancy services' in class 42 (earlier marks 2654219 CEM; 2620085 composite mark; 3057993 CEM 11 plus and 3057994 CEM 11+). This is because these goods and services are complementary, will share trade channels and users, and may have the same or similar purposes.

Average Consumer

125. My findings at paragraphs 95-97 above apply equally here.

Comparison of marks

126. It is sufficient to compare the following marks:

University's marks	Alpha's application
CEM (2654219 & 3056784) CEM 11+ (3057994)	

127. The University's trade mark 3057994 for CEM 11+ is visually highly similar to Alpha's mark. This because the dominant and distinctive element of both marks is

the letters CEM and both marks also include the element '11+'. Although not negligible, the other elements of Alpha's mark do not contribute as much to the overall impression created by the mark because they are subordinate the CEM 11+ combination and are either descriptive ('Children's Educational Material' and 'Passed'), or banal (the green tick).

128. There is also a high level of aural similarity between CEM 11+ and Alpha's mark because the only element of the earlier mark is also the only element of Alpha's mark which is likely to be verbalised in use. Conceptually, the CEM element in the University's mark will be seen as just letters, whereas in Alpha's mark it will be understood to represent the words underneath it. There is therefore a conceptual difference between the marks. However, both marks contain 11+, which in the context of educational goods/services, signifies the 11+ examination. So there is also a small degree of conceptual similarity. Overall, I find the marks to be highly similar.

129. I find that the University's earlier CEM marks have a medium to high level of visual similarity to Alpha's mark. This is because CEM is the only element of the earlier marks and it appears as a standalone and dominant element in Alpha's mark, separated from the numerical element 11 +. I find that there is a high level of aural similarity between CEM and Alpha's mark. This is because CEM 11+ is the only element of Alpha's mark which is likely to be verbalised in use and (particularly as CEM comes first in CEM 11+) this sounds highly similar to CEM. Conceptually, the CEM element in the University's marks will be seen as just letters, whereas in Alpha's mark it will be understood to represent the words underneath it. There is therefore a conceptual difference between the marks. Additionally, there is an added concept in Alpha's mark of the numerical element 11 +, which in the context of educational goods/services signifies the 11+ examination. Taking all these points into account, I find that there is a medium to high degree of similarity between the University's CEM marks and Alpha's mark.

Distinctive character of the earlier marks

130. I earlier found that the University's CEM mark has an average or normal degree of inherent distinctiveness and that the mark had acquired an above average level of distinctive character by the second relevant date, at least to education professionals in the context of education assessment and monitoring services. I see no reason to believe that the position was any different at the fourth relevant date.

131. These findings apply equally to the University's CEM 11+ mark, which will also benefit from any enhanced distinctiveness of the letters CEM as a result of the use of that mark.

Likelihood of confusion

132. I find that there is a likelihood of direct confusion between the University's CEM and CEM 11 + marks and Alpha's mark. This is because the identity of, or high level of similarity between, the goods and services, combined with the high (or medium to high in the case of CEM alone) level of similarity between marks, is such that the marks are likely to be mistaken for one another. I find that the additional elements in Alpha's mark are weak distinguishing elements because they are purely descriptive or banal. If Alpha's mark has any distinctive character (which it may not if CEM is just an acronym for the description 'Children's Educational Material) it is in the letters CEM. This is the only, or the dominant and distinctive, element of the earlier marks. For the sake of completeness, I record here that I would have reached the same conclusions even if I had found that the opponent's marks had not acquired an enhanced level of distinctiveness through use.

133. The University's opposition to Alpha's application therefore succeeds under section 5(2)(b).

134. For reasons of procedural economy, I do not propose to assess the section 5(3) ground.

Outcome of the University's opposition to application number 3077984

135. The opposition succeeds in full and application 3077984 will be refused.

Procedural history of these proceedings

136. On 6th January 2016, a decision was issued on behalf of the registrar rejecting Mr Matalia's application to invalidate trade mark 2654219 and Alpha's oppositions to the University's trade mark applications, and upholding the University's oppositions to Alpha's trade mark applications. It subsequently came to light that Mr Matalia had filed final written submissions in support of his case, which had not been shown to the hearing officer who made the decision on the registrar's behalf ("the original hearing officer").

137. The original hearing officer notified the parties on 8th January 2016 that the failure to take account of Mr Matalia's written submissions constituted an irregularity in proceedings in the Office under Rule 74 of the Trade Mark Rules 2008. She proposed to rectify this by curtailing the appeal period and passing the case to a different hearing officer, who would make a further decision which took account of Mr Matalia's written submissions.

138. This prompted a number of applications from Mr Matalia, including:

- i) A request to file further evidence;

- ii) A request for a hearing;
- iii) A request that a procedural decision by the original hearing officer to refuse Mr Matalia permission to cross examine the University's witness be reconsidered and reversed;
- iv) In the alternative, a request for a stay of proceedings pending the outcome of an appeal to the Court of Appeal in separate legal proceedings between Mr Matalia and Warwick County Council.

139. The third point relates to a request made on 3rd August 2015 by Mr Matalia to cross examine Ms Lubacz in the following terms:

"I wish to cross examine her evidence, in particular statements made in relation to the use of "CEM" as a trade mark and what the University's unit was known as over the past 30-years and what it was actually known as.

In addition I wish to examine confusion of marks.

There is clear evidence that elements of her statements are false and she knows them to be false, hence she has signed a knowingly false statement of truth.

The relevant is to the use of "CEM", length of use, use as a trade mark and credibility of Paulina Lubacz."

140. The original hearing officer refused the request at a case management conference ("CMC") on 15 September 2015. She gave her reasons as follows:

"...whether CEM has been used as a trade mark is for me to decide upon the evidence filed in these proceedings. Whether or not there has been actual confusion is not fertile ground for cross-examination; in any case, the existence, or absence, of actual confusion is rarely determinative (see paragraphs 6 to 9 of Tribunal Practice Notice 4/2009)".

141. The University submitted that the proceedings between Mr Matalia and Warwick County Council had some relevance to these proceedings. This was because the judge in that case cast doubt on the genuineness of some of Mr Matalia's evidence. It was submitted that the judge's finding casts doubt on the authenticity of some of the documents Mr Matalia relied on in order to show his goodwill under CEM for the purpose of these proceedings.

142. Following a further CMC was held on 2nd February 2016, I issued the following directions:

- i) [Mr Matalia had] 7 days to file further evidence consisting of copies of pages from the University of Durham's own website, which [he] said shed further light on the historical use of the sign CEM. This should be filed under the

cover of a brief witness statement indicating when the material was downloaded, by whom, and what significance it has to the University's claim to have used CEM for many years. [Mr Matalia] should send a copy of this material to the University at the same time that [it was sent] to the IPO.

ii) The University of Durham [had] 14 days from the receipt of this material to provide written comments on it.

iii) [Mr Matalia] should be given an opportunity to make oral submissions on the substance of the case. This should take place by teleconference or Skype and be limited to one hour.

143. I otherwise rejected Mr Matalia's applications to file additional evidence, to cross examine Ms Lubacz, or to stay the proceedings. I gave my reasons as follows:

"2. ...my role in these proceedings is to correct the irregularity in procedure that arose from the previous Hearing Officer having decided the case without sight of your final written submissions. In order to do this fairly, I am required to make my own decision on the substance of these proceedings, unconstrained by the decision of the original Hearing Officer. However, that does not mean that I am entitled to change procedural decisions taken by the original Hearing Officer at earlier stages of the proceedings. Consequently, it is not appropriate for me to reconsider the original Hearing Officer's decision to refuse your application to cross examine Ms Lubacz. Further, in the light of the decision of The Appointed Person in Paris Breakfast Tea, BL O/396/15, it is doubtful whether it would have been open to the original Hearing Officer to reverse her decision on your application for cross examination. I cannot be in any different position to her on this matter simply as a result of my replacing her in order to correct a wholly unconnected procedural irregularity.

3. I allowed your request to file evidence from the University's website because you said it had only recently become available and it cast doubt on Ms Lubacz's account of the University's past use of CEM. If so, it is right that you should have the opportunity to show me this evidence before I make a decision. As it is the University's own material, allowing it to be filed cannot prejudice the University. However, it should have the opportunity to comment on the accuracy and significance of this material.

4. I refused your requests to file further evidence showing that it was the University of Newcastle which used CEM prior to 1996, additional material showing that CEM was used by the University of Durham to stand for different words prior to 2008, and extracts from thesaurus and trade mark registers showing third parties have trade names/trade marks consisting of the letters CEM. This is because the position prior to 1996 is unlikely to have any

material effect on the outcome of the proceedings, more evidence showing the same thing is unlikely to be helpful, and extracts from registers and thesaurus are unlikely to be relevant. In any event, such evidence should have been filed at the appropriate time. Likewise I refused your request to submit evidence of invoices for the first time. None of this evidence has anything to do with correcting the irregularity in procedure that has occurred. It appears to be an attempt to improve your case by having a second bite at the evidential cherry after having seen the decision of the original Hearing Officer. That is unfair to the University of Durham. It would also be prejudicial to the University because it would essentially require the evidence rounds to be run again with a consequent increase in costs and further delay.

5. I also refused your request to stay the proceedings pending the outcome of your appeal to the Court of Appeal in the case involving Warwick County Council. This is because I do not consider it likely that the correctness of the decision under appeal will have sufficient materiality to the outcome of these proceedings to justify a stay.

6. You originally opted not to be heard. Despite the University's objection, I see no unfairness in allowing you to change your mind and make oral submissions before I make my decision. The University of Durham will, of course, be given the opportunity to do likewise. Given that I have already have written submissions from both sides, I do not expect this to take long. I will therefore appoint a hearing towards the end of February for this purpose. It will be limited to one hour, or 1 hour 45 minutes if the University chooses to take part."

144. In the event, I have largely accepted Mr Matalia's submissions as to the history of the University's use of CEM (although not the conclusions he draws from these facts). Mr Matalia has contended throughout these proceedings that the litigation between himself and Warwick County Council is irrelevant. I agree with him about that (particularly as no request was made to cross examine him on his evidence), which is why I have not needed to go into that matter in order to give the reasons for my decisions on the substantive matters.

145. Finally, and for the avoidance of doubt, I confirm that I have considered all the papers in the case, as well as the arguments made to me at the hearing. If I have not addressed every argument made to me it is because I have not needed to, not because a point has been overlooked. A decision maker is not required to deal with every argument that is run before him or her. It is sufficient that the reasons I have given enable the parties (and others) to understand the basis on which I made my decisions. I believe that this decision meets that requirement.

Overall outcome

146. The overall outcome of these consolidated proceedings is:

- i) Mr Matalia's invalidation action fails. The University's trade mark registration 2654219 remains registered.
- ii) Alpha's oppositions to the University's applications 3057993 and 3057994 fail. These applications are to proceed to registration.
- iii) The University's oppositions to Alpha's applications 3055444 and 3077984 succeed. These applications are refused.

Costs

147. The University has been successful in all five actions and is entitled to a contribution towards its costs, on the basis of the published scale²⁰. I will take into account that the consolidation of the cases will have reduced duplication and costs. I find that if the University had employed legal representatives it would have been entitled to an award of costs of £4100 made up of:

- £600 for considering Mr Matalia's and Alpha's application for invalidation and oppositions and filing defences
- £450 for filing notices of opposition to Alpha's applications
- £400 for the official fees for two oppositions
- £2000 for filing evidence and considering Mr Matalia/Alpha's evidence
- £150 for attending a CMC
- £500 for filing written submissions

148. There is no question that the University is entitled to a costs award of £400 to cover the filing fees for its oppositions. However, I bear in mind that the University represented itself, so would not have had the expense of professional representatives' fees. It is important that the costs awarded do not exceed the actual costs incurred by the successful party. Therefore, I invite the University to submit a breakdown of its actual costs, including accurate estimates (if necessary) of the number of hours spent on each of the matters listed in paragraph 147 above and an hourly rate for the person or persons who undertook the work. This will represent the real recoverable cost of these proceedings to the University. I should make it clear that the registrar will not usually award such costs on an hourly rate of more than £20 per hour (which does not mean that £20 should be assumed to be the right rate). Further, the scale costs shown above will act as a ceiling, as they would do if the University had used an external legal representative. This means that costs above the specified amounts are not recoverable.

²⁰ Tribunal Practice Notice 4/2007.

149. The required breakdown of costs should be filed within 21 days of the date of this decision and copied to Mr Matalia.

150. Mr Matalia/Alpha will have 14 days from the date of receipt of the University's breakdown of its costs to file written submissions (if so desired) about the reasonableness of the claim.

151. I will then issue a further decision on costs and specify a period for appeal of my decision on costs.

Status of this decision

152. This is a final decision, except as to costs. This means that the period for appeal against the decisions recorded above will run from the date below.

Dated this 4th day of April 2016

**Allan James
For the Registrar**