

O-530-16

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3120553

BY JEFFERY KWADWO NKRUMAH

TO REGISTER:



AS A TRADE MARK IN CLASS 25

AND



THE OPPOSITION THERETO UNDER NO. 405521

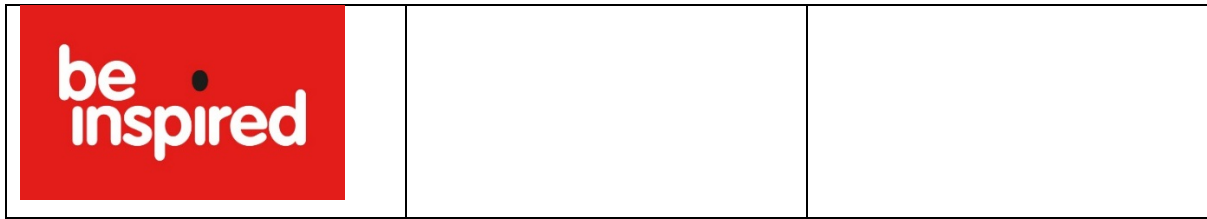
BY THE ENGLISH SPORTS COUNCIL

BACKGROUND

1. On 2 August 2015 Jeffery Kwadwo Nkrumah (“the applicant”) applied to register the mark shown on the cover page of this decision. It was accepted and published in the Trade Mark Journal on 21 August 2015 in respect of “clothes for sports” in class 25.

2. The application is opposed by The English Sports Council (“the opponent”) under Sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The opposition under Sections 5(2)(b) and 5(3) relies on the following UK trade marks:

Mark	Filing/Registration date	Specification
3018192 (series of two) 	Filing date: 14 August 2013 Registration date: 12 December 2014	Classes 9, 16, 25, 35, 38, 41, 42
3076248 (series of three) 	Filing date: 9 October 2014 Registration date: 4 December 2015	Classes 9, 16, 25, 35, 38, 41, 42



3. Under Section 5(2)(b), the opponent claims that the respective goods and services are identical or highly similar and that the marks are similar. It argues that the distinctive and dominant element in all the marks is the word INSPIRED. Further, in the applied for mark the figurative element positioned above the word INSPIRED resembles the letter 'B' and the mark would be perceived as B INSPIRED. Therefore, there is a likelihood of confusion on the part of the public.

4. Under Section 5(3) the opponent claims that the earlier marks have a reputation for the registered goods and services. In particular, the public would associate the applied for mark with the opponent and use of that mark would, without due cause, take unfair advantage of the reputation of the earlier marks and/or be detrimental to their distinctive character or repute.

5. Under the provisions of Section 5(4)(a) the opponent relies on the sign BE INSPIRED. It claims that it has used that sign throughout the UK since 2012 first in relation to the London Olympic Games and subsequently in relation to "sporting opportunities". According to the opponent, it has "expended significant effort building goodwill associated with the BE INSPIRED mark and, as a result, [the sign] has come to identify [its] goods and services to consumers across the UK". Further, or alternatively, the opponent claims to have a goodwill in the earlier marks relied upon under Sections 5(2)(b) and 5(3) and that use of the applied for mark would constitute a misrepresentation which could cause damage by virtue of "diversion of sales, tarnishment of reputation or erosion of distinctiveness of the Opponent's marks."

6. The applicant filed a counterstatement denying the grounds of opposition and putting the opponent to proof of enhanced distinctiveness and reputation of the earlier marks and of its claimed goodwill. The essence of his position is that the signs in question are slogans and that the phrase BE INSPIRED and other similar variants are commonly used in everyday language and in trade sectors (including the

clothing sector) and, as such, cannot be monopolised by a single entity. He says that the earlier marks have a very low level of distinctiveness which reduces the likelihood of confusion.

7. Both sides filed evidence during the evidence rounds. I have read all the papers carefully but I will only summarise the evidence to the extent that I consider it necessary. Neither party asked to be heard but they both filed written submissions in lieu of attendance at a hearing. I will bear both parties' comments in mind and refer to them as necessary below.

EVIDENCE

Opponent's evidence

8. This consists of a witness statement from Rona Chester, the opponent's chief operating officer, with exhibits (RC1-13). Ms Chester has held this position since 2010 and has direct access to the opponent's records.

9. The evidence is that the opponent is a non-departmental public body under the department for Culture, Media and Sport. It was established in 1996 and is also known as Sport England. The opponent is a major distributor of funding to sporting bodies and acts as a statutory distributor of funds raised by the National Lottery. Its role is to "build the foundations of a community sport system by working with national governing bodies of sport, and other funded partners, to grow the number of people doing sport; sustain participation levels; and help more talented people from all diverse backgrounds excel by identifying them early, nurturing them, and helping them move up to the elite level". According to Ms Chester, the opponent will invest more than £1 billion in "grassroots" sports during the period 2012-2017. Ms Chester exhibits (RC2) print-outs from the Intellectual Property Office's website (IPO) setting out details of the opponent's marks relied upon in these proceedings (3018192 and 3076248) and of a pending application (3157809) for the words alone BE INSPIRED standing in the name of the opponent. These marks are said to be collectively referred to as "the BE INSPIRED mark", however, I note, application 3157809 cannot be relied upon here, as it post-dates the filing of the contested mark.

10. Ms Chester says that the opponent and related entities have used the mark BE INSPIRED throughout the UK since 2012 first in relation to the London Olympic Games and subsequently in relation to “sporting opportunities”. The mark was introduced by an email communication to over 4m people “giving it mass recognition beyond the reach of most goods and services”. However, it is not entirely clear what this use refers to. According to Ms Chester, the opponent has used the mark in connection to “a database used to keep members of the public involved in sports in their local communities following the 2012 Olympic Games” and distributes a BE INSPIRED email newsletter to the subscribers of that database. There is no indication as to what records/information are held on the database.

11. According to Ms Chester, the number of subscribers over the period January 2014-April 2016 has ranged from 4,043,881 (January 2016) to 4,594,775 (January 2014) and the average open rate for recipients has fluctuated from 11.8% (July 2015-December 2015) to 14.7% (January 2014-June 2014) over the same period. Although it is not explained, I understand the term “open rate” to mean a rate that measures the number of people on an email list that open (or view) an email; this means that of the approximately 4m emails sent to subscribers, roughly between 440,000 and 600,000 were actually opened and viewed by the recipients. It is not said what the email frequency for the newsletter is, but Ms Chester exhibits (RC5) copies of newsletters from, inter alia, November 2014, December 2014 and January 2015, which suggests that they are issued monthly.

12. Attached to the witness statement are the following exhibits:

- Exhibits RC3-4: print-outs from the opponent’s websites www.beinspireduk.org and www.sportofengland.org, showing use of the mark 3076248 and of the words BE INSPIRED (and of variants of it, e.g. “Are you ready to Be Inspired?”), undated, save for the printing date of 14 April 2016;
- Exhibits 5: print-outs from the BE INSPIRED email newsletter from 2013-2016 showing use of the marks 3076248 and 3018192 and of the words BE

INSPIRED, (and variants of it, e.g. “Spread the inspiration”, “inspired by 2012”), undated, save for the printing date of 4 February 2015;

- Exhibit 6: print-outs from the opponent’s twitter account “@BeInspired_UK”, which I note has 2,256 “tweets”, 8,751 “followers”, 4,465 “likes” and showing use of the mark 3076248 and of the words BE INSPIRED (and variants of it, e.g. “Feeling inspired by #TheAshes?”); the pages are undated, but most tweets indicate that they were posted in 2015-2016;
- Exhibits 7-8: print-outs from YouTube showing videos posted by the opponent, the content of which include: informative videos about sports, interviews with athletes and players, sport video clips, promotional videos aimed at raising awareness of the opponent and of sport-related volunteering opportunities. These videos are said to amount to 18, to have been viewed 25,000 times and to feature professional players, athletes and other well-known personalities, e.g. Boris Johnson and Eddie Izzard. The pages are undated, save for the printing date of 14 April 2016 (RC7), but it is possible to see that this material was published during 2013-2016. The pages feature the marks 3076248 and 3018192 and the words BE INSPIRED (and variants of it, e.g. “There are so many ways to Be Inspired”, “#beinspired to volunteer at your local sports club”, “Tell everyone to Be Inspired”).

13. Ms Chester goes on to explain that both the newsletter and the twitter account are used to keep subscribers informed and involved in sports and to promote and sell tickets to sporting events. This tallies with the evidence she has provided, which demonstrates use of the earlier marks in relation to the followings: (i) provision of information/updates and guidance about sports and sport competitions, (ii) showing of videos relating to sporting competitions and events (iii) provision of information about sport-related volunteering opportunities in the community and (iv) sport tickets sale and promotion.

14. According to Ms Chester the BE INSPIRED mark has been used with the opponent’s consent by third parties, i.e. Ticketmaster, to identify BE INSPIRED

(sport tickets) promotions. Exhibit RC9 consists of a print-out from www.ticketmaster.co.uk which features the mark 3076248 in relation to a “Six Day Cycling-Be Inspired offer”. The pages are undated, save for the printing date of 14 April 2016. Ms Chester also refers to the opponent’s use of the mark INSPIRED FACILITIES in connection to a funding programme for the improvement of community sporting facilities in the UK. However, I note, this mark is not relied upon under any of the grounds of opposition. Consequently, I will say no more about it.

Applicant’s evidence

15. This consists of a witness statement from the applicant with exhibits (JN1-JN3). The statement contains some submissions, which will not be summarised here, but have been taken into account in reaching a decision. Most of this evidence relates to signs and services other than the one applied for and, as such, is not pertinent. Nevertheless, insofar as this evidence provides some context to the issues at hand, I will summarise it as follows:

- The applicant set up Inspired By Sports (IBS) in 2012. This was first incorporated as a limited company (Inspired By Sports Limited) and subsequently (January 2014) converted to a Community Interest Company (CIC), of which the applicant is director, to enable the applicant to apply for funding. The ethos of the company is to “inspire lives through sports and sporting philosophies” and the services offered include Olympic-level coaching and mentoring, sport training, confidence building, professional mentoring and, it is said, most importantly, developing people’s skills to achieve their potential. The applicant claims that “using the word inspired in that context was an obvious choice”;
- The applicant has sold sport clothing to his athletes under the applied for mark but there is no indication of when these goods were sold;
- Exhibit JN1 consists of a student testimonial about her participation to the Inspired By Sports programme. The mark applied for is not reproduced but

INSPIRED BY SPORTS appears above the strapline INSPIRING LIVES THROUGH SPORTS;

- The figurative component of the applied for mark is meant to represent the acronym 'IBS' where the starting blocks are meant to reproduce the letters 'I' and 'B' and the silhouette of a sprinter is meant to look like a letter 'S'.

Opponent's evidence in reply

16. The opponent filed evidence in reply in the form of a further witness statement from Ms Chester. Ms Chester argues that much of the evidence filed by the applicant is irrelevant. She also admits that the opponent has not used the BE INSPIRED mark in relation to clothing, although, she claims, it has an intention to do so in the future.

DECISION

17. Section 5(2)(b) of the Act reads:

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

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

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

18. An earlier trade mark is defined in Section 6(1) of the Act, which states:

“6.(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a

date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.

19. Under this ground, the opponent relies upon the marks 3018192 and 3076248. In my view, the opponent's best prospect of success lays with the mark 3076248. The other mark (3018192) contains further differentiating elements (i.e. three dots following the words, exclamation mark) which make it one step removed from the applied for mark; further, the mark 3076248 is not materially narrower in terms of its goods and services compared to the other earlier mark. If the opponent cannot succeed in respect of this earlier registration, it will be in no better position with regard to its other mark. I proceed on that basis.

20. Given its date of filing, the mark 3076248 is an earlier mark in accordance with Section 6 of the Act. As this mark had not been registered for five years or more at the publication date of the opposed application, it is not subject to the proof of use provisions under Section 6A of the Act. Consequently, the earlier mark may be relied upon without having to prove use. The specification to be considered is as follows:

Class 9: Databases; computer databases; electronic databases; computer software for authorising access to databases; computer software for creating searchable databases of information and data; computer software for database management; computer software and hardware; electronic publications; magnetic identity cards; cameras and parts and fittings therefor; glasses and visors; sunglasses; compasses and barometers; bicycle helmets; pre-recorded video tapes relating to sport and sporting events; pre-recorded video discs relating to sports and sporting events; pre-recorded compact discs relating to sport and sporting events; pre-recorded audio discs relating to sport and sporting events; pre-recorded audio tapes relating to sports and sporting events; pre-recorded DVDs relating to sports and sporting events; video game cartridges; downloadable image files; downloadable wallpapers for computers and/or mobile phones; downloadable screensavers for computers and/or mobile phones; downloadable video recordings; downloadable musical sound recordings.

Class 16: Paper, cardboard; printed matter; printed publications; bookbinding material; newspapers; periodical publications; books; programmes; programme binders; stationery; instructional and teaching materials; postcards; notepads; pens; pencils; erasers; pencil sharpeners; rulers; book markers; posters; calendars; diaries; blackboards; height charts; carrier bags; prints; pictures; poster magazines; diaries; pads of paper; reports; stickers; score books; scorecards; autograph books; mounted and unmounted photographs; printed paper signs; paperweights; tickets; tickets relating to sporting events; personal organisers.

Class 25: Clothing; footwear; headgear; articles of outer clothing; articles of sports clothing; leisurewear; shirts; boots; football boots and shoes; shorts; t-shirts; socks; pullovers; vests; skirts; dresses; overalls; bodysuits; warm-up suits; swimwear; ponchos; sweatshirts; sweaters; caps; hats; headwear; headbands; bandanas; scarves; jackets; wrist bands (sweat bands); track suits; ties; gloves; visors; waterproof clothing; belts.

Class 35: Database management services; computerized database management services; management and compilation of computer databases; compilation, collection and systemisation of data and information into computer databases; overseeing and managing information issued via a computer database; advertising; marketing; promotional services; arranging of competitions for advertising purposes; business management, assistance and administration; organisation of exhibitions and trade fairs for commercial advertising; advertising and promotional services relating to cultural events, sport, exercise and health; preparation of publicity, promotional and marketing materials; business management of sport clubs; business management of sport venues; promotion of sports, fitness, sporting activities and sporting events; public relations services; providing an on-line directory of sporting activities and sporting facilities; information, advisory, management and consultancy services relating to all the aforesaid.

Class 38: Telecommunications services for providing access to computer databases; rental of access time to a computer database; providing access to

databases; information, advisory, management and consultancy services relating to all the aforesaid.

Class 41: Certification services, namely operation of accreditation schemes and operation of accreditation schemes relating to sports and sporting events; information, advisory and consultancy services relating to all the aforesaid.

Class 42: Design and development of computer databases; maintenance of databases; reconstitution of databases; updating of software databases; rental of a database server (to third parties); development, creation and maintenance of websites; hosting of websites; information, advisory and consultancy services relating to the aforesaid.

Section 5(2)(b) case law

21. 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:

- (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 greater degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

22. For reasons that will become apparent, I will focus my decision, initially, on the opponent's *Articles of sport clothing*, as these goods are identical to those of the applied for mark. If the opposition fails, even where the goods are identical, it follows that the opposition will also fail where the goods and services are only similar.

The average consumer and the nature of the purchasing act

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

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

24. The respective goods are items of sports clothing. The term includes clothing specifically designed or adapted for use in a particular sporting activity but is also commonly used and understood to refer to clothing which is worn more generally on less formal occasions i.e. a training sweatshirt worn as casual clothing. These are goods which will be bought by the general public. As to the manner in which the goods will be selected, the purchase is likely to be primarily visual¹ as it is likely to be made from a physical store on the high street, from a catalogue or from a website. That said, as the selection of the goods may, on occasion, involve the intervention of

¹ *New Look Ltd v OHIM*, Joined cases T-117/03 to T-119/03 and T-171/03

a sales assistant, aural consideration cannot be ignored. The opponent argues that the goods at issue are relatively inexpensive and that, consequently, the average consumer is likely to pay a low degree of attention. I do not accept this submission. The cost of the goods may vary, however, even where goods are not expensive, the average consumer is likely to pay the degree of care and attention necessary to ensure that the right apparel is obtained taking into account factors such as size, material, colour and suitability for purpose. All of these factors point, in my view, to the average consumer paying, at least, a medium degree of attention to the purchase.

Distinctive character of earlier mark

25. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*²⁶, the Court of Justice of the European Union (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).”

26. As the opponent admits, its mark has not been used at all in relation to goods in class 25. It, therefore, follows that the opponent's mark has not acquired an enhanced distinctive character through use².

27. From an inherent perspective, the phrase **be inspired** has an obvious semantic meaning and it is likely to be understood as an invitation to be inspired. The applicant argues that the phrase is a slogan and that it is used by other undertakings to support the conclusion that the mark is endowed with a low distinctive character. As far as I am aware, there is no challenge to the validity of the earlier mark and in assessing its distinctiveness I bear in mind that a registered mark must be assumed to have 'at least some distinctive character'³.

28. The phrase **be inspired** is not, in itself, descriptive of the goods at issue. The decorative elements of the mark, i.e. the rectangular background, the elongated dot and the colour, add some distinctiveness to it, however, as these elements have no counterpart in the applied for mark this cannot strengthen the opponent's case⁴. The words **be inspired** form a natural word combination which is neither fanciful nor invented; in my view, the mark is not a strong mark and absent use, it has no more than an average degree of distinctive character.

Comparison of marks

29. 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 them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:



² *Premier Brands UK Ltd v Typhoon Europe Ltd*, [2000] FSR 767

³ *Formula One Licensing BV v OHIM*, Case C-196/11P

⁴ The level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element of the marks that are similar. See *Kurt Geiger v A-List Corporate Limited*, BL O-075-13

“.....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.”

30. It would be wrong therefore artificially to dissect the marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features, (which are not negligible) and therefore contribute to the overall impressions created by them. The respective marks are shown below:

Applicant's mark	Opponent's marks
	

Overall impression

31. The applied for mark consists of the silhouette of a sprinter at the start of a race launching from a starting block, behind which sits a rectangular device which looks like a letter 'I'. The starting block is inclined and formed by two curved stokes which could look like a letter 'B' but, as the sprinter is holding his feet against the lower stoke, this appears compressed. Further, the starting block is designed in such a way that it seems to be held by the rectangular 'I' shaped device as to prevent it to slip back upon the runner launching out. Below this figurative component, are the words INSPIRED BY SPORTS written in bold upper case letters with the first letters

of each word, i.e. 'I', 'B', 'S', presented in a slightly bigger size. The word INSPIRED is contained within an upper and lower border, with the lower border being longer and underlining (part of) the letter 'B' but this does not prevent the words INSPIRED BY SPORTS to form a unitary whole. In this connection, the opponent argues:

“The word INSPIRED is emphasised in the Sign with bold lines above and below it. Part of the device element in the Sign strongly resembles the letter “B”. The “B” is positioned directly above the word INSPIRED. This creates a clear and separately delineated Sign reading “B INSPIRED”. This sign within the Sign is likely to be perceived as the dominant part of the Sign due to its positioning as the first recognisable word elements and due to the emphasis of the lines above and below the word INSPIRED.”

32. I find difficult to accept the opponent's contention that the applied for mark would be perceived as 'B INSPIRED'. I do not agree that the starting block device is necessarily (and immediately) going to be perceived to be a graphic representation of the letter 'B' as the degree of stylisation is too significant, but even if it were, then the 'I' shaped device could equally be associated with the letter 'I' and the mark could be read as 'IB' INSPIRED BY SPORTS. The evidence is that the figurative component of the mark incorporates the acronym 'IBS'. However, for the same reasons given above, in my view, the acronym is not immediately perceptible. Further, the silhouette of a sprinter does not reproduce the typical elements of the letter 'S'. In this connection, I bear in mind that the mark must be evaluated and compared without dismemberment or excision. When that is done, what the average consumer is likely to identify is, in my view, both a dynamic figurative component and the phrase INSPIRED BY SPORTS. As to the distinctive and dominant components of the mark, the word SPORTS has only a very weak distinctive character in the context of the goods, which are clothes for sports. Whilst the silhouette of a sprinter could also be said to be allusive for the goods at issue, the same cannot be said of the fanciful shape that combines the starting block and the 'I' shaped device. This feature makes a significant contribution to the visual appeal of the mark. In my view, the consumer will notice this blend of elements and consider that the content and arrangement of these features is the distinctive and dominant component of the mark. Whilst the phrase INSPIRED BY SPORTS contributes to the overall

impression of the mark, due to its size and position and to the blend of elements, it is the figurative component which plays the greatest role in the overall impression the mark will convey.

33. The opponent's mark consist of the word **be** positioned above the word **inspired**. Both words are set to the left and are presented in a bold low case lettering. The words are in white against a green, orange and red rectangular background which makes them stand out. Above the second letter **i** of the word **inspired**, there is a black elongated dot. Notwithstanding the words **be** and **inspired** are positioned one above the other, they form a unitary whole. The background shape is merely decorative and has little weight in the overall impression the mark conveys. In my view, due to its size and position, the phrase **be inspired** has the greatest relative weight in the overall impression that the mark will convey.

Visual similarity

34. Although the opponent's mark is presented in colour, there is no claim to colour. Likewise, the applied for mark is presented in black and white. Therefore, colour is not relevant in the comparison between the marks⁵. From a visual perspective, the similarity between the respective marks is limited to the word **inspired/INSPIRED**. On the other hand, this element is placed in different sides of the words. Further, the particular get up of the opponent's mark is absent in the applied for mark and the striking figurative component of the applied for mark has no counterpart in the opponent's mark. Overall, I find that there is only a very low degree of visual similarity between the marks.

Aural similarity

35. From an aural perspective, the graphical components of the marks will not be verbalised. I have already rejected the opponent's submission that the applied for mark is likely to be perceived as B INSPIRED. Therefore, the marks will be articulated as INSPIRED BY SPORTS and **be inspired** respectively. I find that there is a low degree of aural similarity between the marks.

⁵ *Specsavers International Healthcare Ltd v Asda Stores Ltd*, [2010] EWHC 2035 (Ch)

Conceptual similarity

36. Conceptually, the respective marks convey the general idea of 'inspiration'. In the opponent's mark, the words combination is likely to be taken as an exhortation to be inspired. The opponent's mark does not, in itself, convey the concept of sport. However, the opponent argues that the mark will bring to mind the 2012 London Olympic Games owing to the use that it has made of it. Whilst the evidence shows some retrospective references to the London Olympic Games, the opponent has adduced no evidence in support of its argument. Further, it is not clear what this use relates to, the intensity/scale of it and the impact it might have had on the average consumer.

37. Insofar as the applied for mark is concerned, the evidence is that the phrase INSPIRED BY SPORTS is used in respect of sport-related coaching and training type of services to embody the ethos of "inspiring lives through sports". However, the application is not for these services and INSPIRED BY SPORTS are the only words appearing in the mark. In my view, in the context of the applied for goods, the phrase INSPIRED BY SPORTS is likely to be taken as referring to a characteristic of the goods, i.e. clothes inspired by sports, or, equally, to the figurative component of the mark, i.e. the device of a sprinter inspired by sport.

38. The word SPORTS in the applied for mark departs a concept which is absent in the opponent's mark. The respective marks also differ in the concept of the figurative component in the contested mark, which, I have already found, is distinctive and will provides a conceptual hook to that mark. To the extent that the marks share the concept of "inspiration", but taking into account that the true meaning of the marks is different, there is a low degree of conceptual similarity.

Likelihood of confusion

39. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and vice versa. I must also keep in mind

the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has retained in his mind.

40. Earlier in this decision I found that the respective goods are identical; this is important because it may offset a lower degree of similarity between the marks. Whilst the marks share the word **inspired**/INSPIRED, they form entirely different wholes. Consequently, the case law on composite marks is not applicable here as the component **inspired**/INSPIRED does not retain an independent distinctive role in the respective marks⁶. However, this, does not, in itself, rule out the existence of a likelihood of confusion. Confusion can be direct, in the sense that one mark is mistaken for the other, or indirect, in the sense that the average consumer will assume that the common elements in the marks (and the similarity of the goods/services) mean that the undertakings responsible for the goods and/or services are the same or are economically related. In terms of direct confusion, I have no hesitation concluding that the very low level of visual similarity and the low level of aural and conceptual similarity is more than sufficient to avoid a likelihood of direct confusion. The marks will not be mistaken for one another. **There is no likelihood of direct confusion.**

41. As to whether there is, nevertheless, a likelihood of indirect confusion, it is helpful to consider the comments of Mr Iain Purvis Q.C. sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, case BL-O/375/10 where he stated:

“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

⁶ See *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), in which Arnold J. considered the impact of the CJEU's judgment in *Bimbo*, Case C-591/12P, on the court's earlier judgment in *Medion v Thomson*.

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)."

42. In my view, there will be no indirect confusion in any of the categories identified above or any other categories. Bearing in mind that the marks form different wholes and that the potential descriptiveness of phrase INSPIRED BY SPORTS in relation to the applied for (class 25) goods (or in relation to the device) will remain apparent to the average consumer, it is unlikely that the same consumer will take the word INSPIRED in the applied for mark as a reference to the opponent's earlier mark. Accordingly, I see no reason, once the average consumer has noted the differences between the mark, for the commonality of the component **inspired**/INSPIRED to be put down to the brand extension assumption. **There is no likelihood of indirect confusion.**

Section 5(3)

43. Section 5(3) states:

“(3) A trade mark which-

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

44. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant

consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics

which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

45. Under this ground, the opponent relies on the same marks as it did in support of its opposition under Section 5(2)(b) of the Act. Once again, I consider its best prospect of success to lay with its earlier mark 3076248.

46. The relevant date at which I must assess the opponent's reputation is 21 August 2015. I must also identify the goods and services in relation to which any reputation is established. In this connection, the opponent relies on use of the mark in respect of all the goods and services for which it is registered, including its class 25 goods, for which, it admits, no use has been made. However, without use there cannot be a reputation. As to the remaining goods and services, in her evidence Ms Chester places some reliance on use of the mark in relation to the 2012 Olympic Games. However, the claim it is unsupported and there is a lack of information as to the nature and extent of such use. Consequently, as I have already found, it is impossible to gauge what impact that use may have had on the average consumer. The duration of the use is not long standing and a significant portion of the evidence is either undated or after the relevant date. Further, the reputation of the mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered, but I find difficult to identify any particular goods or services for which the opponent can be said to have been engaged in supplying. The applicant accepts that the opponent has demonstrated use of its marks, at best, in relation to the registered class 35 services. These, I note, include "promotion of sport, fitness, sporting activities and sporting events". I do not agree. The use shown is by way of activities that are intended to encourage participation to sports and are provided for information, education and entertainment of the target audience; as such, they would fall in class 41 (for which the mark is registered but only in relation to other services, i.e. operation and accreditation schemes relating to sports) and not in class 35, which covers services provided within a business setting. Besides, there is an acute lack of information as to the

level of visitors to the opponent's website, the investment/advertising spend and/or the market share.

47. The conditions of Section 5(3) are cumulative and start with the opponent having to evidence their reputation. In proving a reputation, it is not enough for the opponent merely to show that its mark has been used. It must show that it is known by a significant part of the public concerned for the registered goods or services. The evidence filed by the opponent fails to do so. The opponent has therefore not managed to clear the first hurdle in respect of Section 5(3). **The opposition brought under Section 5(3) of the Act fails.**

Section 5(4)(a)

48. Section 5(4)(a) 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.”

49. The opponent claims to be the proprietor of the earlier right in the words BE INSPIRED. The necessary requirements to establish a passing off right are well established and are, essentially, (1) goodwill in a business identified by a sign, (2) a misrepresentation by the defendant through the use of a sign similar enough to the claimant's sign to deceive (intentionally or otherwise) a substantial number of the claimant's customers or potential customers, and (3) damage to the claimant's goodwill caused by the defendant's misrepresentation.

General principles of Section 5(4)(a)

50. Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) 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."

51. Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

52. The earlier use by the claimant must relate to the use of the sign for the purposes of distinguishing goods or services. For example, merely decorative use of a sign on a T-shirt cannot found a passing off claim: *Wild Child Trade Mark* [1998] RPC 455 (AP)

53. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“39. In *Last Minute*, the General Court....said:

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

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.’

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury*

plc v. Active: 4Life Ltd O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-*

Schweppes Pty Ltd v. The Pub Squash Co. Ltd [1981] RPC 429 (PC);
Barnsley Brewery Company Ltd. v. RBNB [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: “date of commencement of the conduct complained of”. If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’ ”

54. The applicant gave evidence that he has sold sport clothing under the applied for mark, however, it is not clear when this use has taken place. Accordingly, I will proceed on the basis that the relevant date is 21 August 2015. As regards goodwill, it is noted that it is a force associated in connection with a business. Being a non-departmental public body means that the opponent is not a commercial organisation in the normal sense of the word. However, the fact that the opponent does not carry on commercial activity is not fatal. If the elements of passing off are made out, the opponent is entitled to protect that goodwill⁷.

55. The opponent is concerned with managing and distributing public funds to increase the number of people doing sports. Without wanting to repeat oneself, the phrase BE INSPIRED has been used in the context of a public campaign carried out

⁷It is established that a claimant in a passing off action can be a political and charitable which does not carry on commercial activity in the ordinary sense of the word, but which nonetheless has a valuable property in the sense of its goodwill. See *Burge v Haycock* [2001] EWCA Civ.900

through websites and social media in connection with informative, educational, entertainment and promotional activities undertaken to furtherance the opponent's aims and objectives. In my view, in the context of these activities the phrase BE INSPIRED would primarily be seen as an inspirational statement. It may read as an exhortation to the recipient to get involved with sport, sport competitions and volunteering opportunities with the suggestion that the opponent will help to achieve that objective. The same opponent uses variants of the expression incorporating the word inspiration/inspired, i.e. "Spread the inspiration", "Inspired facilities", "Inspired by 2012". Some of the opponent's own marketing material merely reinforces the inspirational message, i.e. "Tell everyone to Be Inspired", "Are you ready to Be Inspired?". In circumstances where the claimed sign is inherently of low distinctiveness the burden of establishing that the phrase BE INSPIRED is in itself distinctive of the opponent is proportionately greater and I am not persuaded that the opponent has shown that it has built up a sufficient property and goodwill associated with that phrase. The opponent has thus failed to establish the first leg of the passing off test and cannot succeed under Section 5(4)(a). However, in the event I am incorrect as regards goodwill, I will go on to consider the issue(s) of misrepresentation (and, if necessary, of damage)

56. Misrepresentation depends upon deception brought about by the use of a sign adopted by a defendant (in this case, applicant). I have already considered the likelihood of confusion in my findings under Section 5(2)(b) and I found that there is no likelihood of confusion. The fact that the comparison must be carried out in respect of the phrase BE INSPIRED alone, without any get up, means that the degree of visual similarity between the signs is slightly higher than I considered under Section 5(2)(b), although I would not put it higher than low. However, when considering the respective field of activities, here the position is even worse as they are further apart. This is because, even allowing for the opponent to have acquired goodwill in the phrase BE INSPIRED, it would be in the field of information, education, entertainment and promotion all relating to sport which in my view is too removed from the field of sport clothing. The opponent is in no better position under Section 5(4)(a) and cannot succeed to a greater extent. **The opposition brought under Section 5(4)(a) of the Act fails.**

CONCLUSION

57. The opposition has failed.

COSTS

58. As the applicant has been successful, he is entitled to a contribution towards his costs. Awards of costs are governed by Tribunal Practice Notice (TPN) 4 of 2007. The applicant has made a request for costs to be awarded to the top end of the scale, however, he did not put forward any reasons in support. The scale set out in TPN 4/2007 indicates that costs must be determined by reference to criteria such as the nature of the statements (for example their complexity and relevance), the amount of the evidence filed and the substance of the submissions. In my view, there are no reasons here to justify an award to the top end of the scale. Accordingly, I award costs to the applicant on the following basis:

Preparing a statement and considering the other side's statement:	£200
Preparing evidence and consider other side' evidence:	£500
Preparing submissions:	£200
Total:	£900

59. I order The English Sports Council to pay Jeffery Kwadwo Nkrumah the sum of £900 as a contribution towards his costs. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case, if any appeal against this decision is unsuccessful.

Dated this 15th day of November 2016

**pp Teresa Perks
For the Registrar
The Comptroller – General**