O-007-17

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK REGISTRATION NOS. 3057748 MEDI-MATT & 3061416 MEDI-FOAM IN CLASS 20 IN THE NAME OF BREASLY PILLOWS LIMITED AND IN THE MATTER OF AN APPLICATION FOR INVALIDATION BY THE FOAM COMPANY LIMITED

DECISION

---

1. This is an appeal against the decision of Louise White sitting as a Hearing Officer for the Registrar, The Comptroller-General, dated 19 May 2016 ("the Decision"). In the Decision the Hearing Officer rejected the applications for invalidation brought by The Foam Company Limited ("FCL") based upon sections 3(1)(b) and (c) and 5(4) of the Trade Marks Act 1994 against UK Trade Mark No. 3 061 416: MEDI-FOAM and under sections 3(1)(b) and (c) against UK Trade Mark No. 3 057 748: MEDI-MATT, both registered in Class 20 in respect of "mattresses" in the name of the Registered Proprietor, Breasly Pillows Limited ("RP"). Only FCL filed evidence. The Decision was taken on the basis of the papers as neither side requested an oral hearing.

2. By appeal dated 16 June 2016 FCL sought to challenge all aspects of the Hearing Officer's Decision. I shall refer to the Grounds in more detail below. The RP did not submit a Respondent's Notice and argues that the Hearing Officer was right for the reasons she gave.

Preliminary Point - Hearings before the Appointed Person

3. Shortly after a hearing had been arranged for 6 January 2017 at Abbey Orchard Street, SW1, representatives for FCL contacted my clerk to ask whether it was necessary for the parties to attend. I would like to take this opportunity to repeat and expand upon the response that I gave to the parties in the hope that it will be of some guidance to other parties in future cases.

4. It has been emphasised in the past that the Appointed Persons receive considerable assistance from the attendance of the parties at a hearing and the parties are strongly encouraged to attend. This remains the case. The particular benefit of a

hearing is that it allows the parties to focus on the alleged errors of the Hearing Officer, and this focus is often sharpened by questions from the tribunal. Moreover, oral discussion enables the parties to emphasise which they consider are their best points.

5. The nature and standard of review in appeals from the Registry is well-known but is not always taken into sufficient account in the grounds of appeal and written submissions. To be successful on appeal the appellant must identify a distinct and material error of principle or otherwise demonstrate that the decision is wrong. This standard is much more difficult to meet if the parties merely repeat the submissions made at first instance, because in the absence of an error of principle an appellate tribunal will show a real reluctance to interfere (*REEF Trade Mark* [2003] R.P.C. 5 at §28). An oral hearing provides a good opportunity for the appellant to emphasise the alleged error(s) and explain precisely why rectification of any error(s) would lead to a different overall result, and for the respondent to explain why there are no error(s) and/or why any such error(s) are not material. There is considerable value in this exercise for those determining the appeal.

6. Having said this, attendance at a hearing before the Appointed Person is not compulsory and a decision can be rendered based on written submissions alone (notwithstanding that this may be a less effective way of putting across the parties' respective cases). A hearing will only be vacated at the request of both parties. That is what has happened in the present case, and so my decision is based upon a careful review of the evidence, the Decision and the written submissions of the parties. However the written submissions from both sides have tended to reargue the case that was before the Hearing Officer in the way that I have deprecated above.

Evidence before the Hearing Officer

7. The Hearing Officer summarised FCL's evidence at §§3-6 of the Decision. No criticism is made of this summary on appeal, other than in respect of FCL's turnover, which I comment on further below. Michael Nash, the Managing Director of FCL explained that FCL has been trading using the sign MEDICAL GRADE FOAM since October 2011. He exhibited various Google searches relating to MEDI-FOAM and an extract from the RP's website which described its Medi-Foam product as a medical grade foam mattress.

8. Mr Nash also exhibited material showing FCL's use of the phrase MEDICAL GRADE FOAM in a trade price list from October 2011 and in brochures from June 2012 onwards. His Exhibit 8 contained examples of publications in which FCL's products have been advertised. The Hearing Officer noted in respect of these that MAMMOTH is clearly the "trade mark" and MEDICAL GRADE FOAM the descriptor for the type of mattress. Turnover and advertising figures were also provided but not specifically for MEDICAL GRADE FOAM products. The Hearing Officer noted that the products in question are fairly expensive (running to several hundred pounds) and that advertising spend is around £100,000 per annum.

9. In respect of MEDI-MATT, Mr Nash exhibited extracts from the RP's website. He also provided material which sought to show that a third-party company had been using the term MEDI-MATT in respect of mattresses for health care for some 15 years. Finally he provided a Google search using the term "what is "medi" short for in terms of health care".

Section 3(1)(c)

10. The Hearing Officer dealt with the objection under section 3(1)(c) first, at §§9-15 of the decision. She summarised the relevant law by reference to the decision of Arnold J. in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch). She then went on to point out that the assessment of distinctiveness and descriptiveness must be made not only through the eyes of the average consumers of the goods, but also through those in the trade. No criticism is made of any of this on this appeal.

11. She then went on to make her findings in respect of MEDI-FOAM, which I set out in full below:

> 14. The position of FCL is that the term MEDI is a known abbreviation for MEDICAL. As such, the addition of the word FOAM does not elevate the combination into acting as a badge of origin. Rather it describes the product: a mattress made from a foam specific to aid comfort for those with particular medical conditions and/or ailments. Much is made of google search results in support of this line of argument. However, such reliance is far from fool proof. Search engines are designed to bring back results based on the combination of letters used as a search term. They are also designed to pick out particular letters and to fill in gaps. As such, it is unsurprising that a search for medi-foam would return results which include MEDICAL, FOAM and indeed MEDICAL GRADE FOAM. I fail to see how such results should lead to the conclusion that MEDI-FOAM as a combination is clearly descriptive in respect of

> mattresses. It is my view that this combination, though not the most creative, is at worst merely allusive of a potential function of such a mattress or what such a mattress may contain as one of its core materials. This is true when considered from the perspective of the relevant consumer in the trade, i.e. healthcare professionals and also the general public. It is not descriptive and as such, the ground of invalidation under Section 3(1)(c) fails.

12. FCL criticises this finding in its Grounds of Appeal by suggesting that the Hearing Officer was wrong not to accept that the term MEDI is a known abbreviation for MEDICAL and that the combination of the terms MEDI and FOAM has no distinctive spark. In this regard it cited the decision of the First Board of Appeal of 16 March 2004 in Case R0475/2003-1 where it held at §19 in relation to an attempt to register MEDIGEL for amongst other things, gels, in classes 3 and 5:

> 19 The trade mark applied for is composed of the combination of the English words MEDI and GEL. The latter has the meaning of 'semirigid jelly-like colloid in which a liquid is dispersed in a solid' (see *Collins Dictionary of English*). As for the term MEDI, this prefix has an equivalent value to 'medical' (see *Acronyms, Initialisms & Abbreviations Dictionary, 24th edition*).

13. In its written submissions it went further and suggested that the Hearing Officer had not taken into account that the RP advertises its goods under the marks in relation to healthcare. It also said that the Hearing Officer had failed to assess the various elements of the trade marks individually as well as as a whole. Further, she should have placed more emphasis on the results of the Google search for MEDI FOAM supplied in evidence. Finally it suggests that the RP's marks had not acquired distinctive character through use (even though the RP filed no evidence itself and the Hearing Officer did not find that its goods had acquired any such distinctiveness).

14. Overall it is said that the marks do no more than inform users that the goods are made of or contain a foam of such quality that it can be used for medical purposes, contrary to s.3(1)(c) of the Act.

15. I do not think there is anything in these criticisms and I can identify no error of principle made by the Hearing Officer in making her multi-factorial decision. She correctly recorded the arguments of FCL made before her (and repeated on this appeal), and I cannot see how it can be realistically suggested that she did not take them into account in reaching her conclusion. Although MEDI is indeed a known abbreviation for MEDICAL (as the case-law relied on by FCL demonstrates), this does not amount to a rule of law leading to automatic invalidation and this alone is

not sufficient for FCL if overall the term MEDI-FOAM is not descriptive of mattresses. The test is one of notional and fair use of the mark for the goods registered and so the fact that the RP advertises its goods under the marks in relation to healthcare cannot be determinative. The Hearing Officer did take into account the various elements of the trade marks individually as well as assessing the mark as a whole. I consider that she was right not to have placed more weight on the results of the Google search for MEDI FOAM for the reasons she gave.

16. Overall, in my opinion the Hearing Officer made no error of principle and was entitled to find that the combination, although not the most creative, is at worst merely allusive of the potential function or contents of a mattress. Accordingly there is no reason to interfere with her decision to reject the application for invalidity.

17. In respect of MEDI-MATT, the Hearing Officer said as follows:

> 15. Turning now to MEDI-MATT, which is also registered for mattresses in Class 20. Although not the same mark as MEDI-FOAM, similar arguments apply, namely that MEDI is a known abbreviation of medical and the addition of matt does not assist nor avoid its essential descriptiveness: that these are mattresses which can be used by those with a medical condition and/or ailment. Evidence is provided which consists of use of the term by a third party, alongside pictures of mattresses which appear flexible whereas regular mattresses are not (they can be raised and lowered for example). That a third party uses the term does not assist FCL in my view as this third party is clearly using the term in a trade mark sense. Further, the pages from the RP's website do not assist: the combination of MEDI-MATT is comprised of an abbreviation of medical and an abbreviation of mattress. However in combination, this does not, in my view, render the trade mark as descriptive. It alludes, but does not directly describe. As above, this is true from both the perspective of a healthcare professional and the public at large. As such, the claim under Section 3(1)(c) fails.

18. In relation to MEDI-MATT, FCL repeats its criticisms of the Hearing Officer's decision in relation to MEDI-FOAM and further criticises the Hearing Officer for her alleged failure to recognise that MEDI-MATT is a combination of an abbreviation of MEDICAL and an abbreviation of MATTRESS and is therefore descriptive of a medical mattress.

19. However it is to be noted that under the heading for section 3(1)(b) in its Grounds of Appeal, FCL states "*the word MATT is not a known abbreviation of mattresses*". Nevertheless it is alleged that the average consumer would still assume that MATT is used by the RP to refer to mattresses.

20. I reject FCL's appeal under s.3(1)(c) for MEDI-MATT for essentially the same reasons as I have given in relation to MEDI-FOAM above. I can discern no error of principle in the Hearing Officer's assessment and her decision is not clearly wrong. Moreover, in light of FCL's concession that the word MATT is not a known abbreviation for mattresses, there is even less reason to invalidate the mark. The Hearing Officer was accordingly entitled to come to the conclusion she did when making her multi-factorial decision.

21. In particular it is insufficient for FCL to allege that the goods are mattresses which can be used by those with a medical condition and/or ailment. That may be, but it does in itself make the term MEDI-MATT descriptive of mattresses. The Hearing Officer was entitled to take the view that the combination of features in the mark alludes, but does not directly describe the goods for which it is registered. She correctly analysed the issue from the perspective of both a healthcare professional and the public at large.

22. For all these reasons I reject the appeals under s.3(1)(c).

Section 3(1)(b)

23. The Hearing Officer set out the approach in law under s.3(1)(b) by reference to the decision of the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P). Again no criticism is made of this. Her findings in relation to MEDI-FOAM followed:

> 17. I will consider the position in respect of MEDI-FOAM first. Bearing in mind the findings under Section 3(1)(c) above, I must now consider whether, even if not descriptive, the mark is in any case devoid of distinctive character in respect of mattresses. Foam is clearly non distinctive for mattresses as it can be used as a material to manufacture such goods. Medi may be a known abbreviation for medical (though this is not conclusively proven). In any case, even if it is, in my view the combination of terms and their overall presentation lend a distinctive spark to the combination as a whole. The ground under Section 3(1)(b) as regards MEDI-FOAM therefore fails.

24. In relation to MEDI-MATT the Hearing Officer held:

> 18. The position as regards to MEDI-MATT is similar. Indeed in respect of this trade mark, it is even clearer: Matt is not a known abbreviation for mattresses and is unusual. Its combined form with MEDI and its overall presentation is considered to

be clearly not devoid of distinctive character and a perfectly acceptable trade mark. The ground under Section 3(1)(b) also fails here.

25. FCL's appeal in relation to s.3(1)(b) is expressed very briefly in both the Grounds of Appeal and in the written submissions and I will take both marks together.

26. For similar reasons to those I have expressed above in relation to s.3(1)(c), I find that there is no reason to hold that the Hearing Officer erred in her conclusion that neither mark was devoid of distinctive character. She was entitled to find that both marks as a whole were distinctive overall in spite of part of each being made up of less distinctive elements. In such circumstances the combination of terms may be distinctive for the goods as a whole, as the Hearing Officer has found. FCL has identified no material error in the reasoning of the Hearing Officer and I decline to interfere with her overall assessment of the issues.

Passing off – s5(4)(a)

27. Finally the Hearing Officer dealt with the objection under the head of passing off to the MEDI-FOAM mark under s.5(4)(a). She set out the law by reference to an extract from Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) and some of the relevant case-law referred to therein. Again, none of this is in dispute.

28. Her findings on the facts were provided at §§24-26, as follows:

> 24. In these proceedings, the earlier sign pleaded is MEDICAL GRADE FOAM and I can see no evidence that goodwill in the earlier business attaches purely to this name as it is clearly an obvious descriptor for the products sold under the term. Rather any goodwill attaches to MAMMOTH, which is the distinctive feature used with the descriptor MEDICAL GRADE FOAM throughout the evidence filed. MAMMOTH is not pleaded in the Notice of Opposition. However for the sake of pragmatism, I will consider the matter in respect of both MAMMOTH MEDICAL GRADE FOAM (which is what the evidence focusses upon) and, in the event I am incorrect as regards goodwill, MEDICAL GRADE FOAM alone.
>
> 25. It is true that the parties appear to operate in the same fields of activity; indeed they will be used on the same products, namely mattresses. However, the earlier sign is MAMMOTH MEDICAL GRADE FOAM and the later mark is MEDI-FOAM. As I have already found that MEDICAL GRADE FOAM is a clear, unequivocal descriptor, it is clear that the presence of MAMMOTH is that which goodwill will attach to. It is difficult to see how a consumer could be deceived here as the signs are entirely different. There is considered to be no misrepresentation.

26. As regards MEDICAL GRADE FOAM alone, FCL is even worse off. Without wishing to repeat oneself, this is clearly purely descriptive, whereas the later mark has more than a spark of distinctiveness to it. I note that Mr Nash makes much of internet results from a search of MEDI-FOAM which brings back MEDICAL GRADE FOAM products. However, as I have already found, it is considered that this proves only that a search engine is working correctly in picking out particular letters, filling in gaps and returning results on that basis: MED FOAM or even M FOAM as a search term could well produce the same result. It proves no more than that. It is concluded that the clear differences between MEDI-FOAM and MEDICAL GRADE FOAM ensure no one is deceived here, let alone a substantial number. There is no misrepresentation here either.

29. FCL's Grounds of Appeal and written submissions on passing off do not identity any material error by the Hearing Officer and amount to no more than an invitation to me to reconsider the facts and come to the opposite conclusion to that reached by the Hearing Officer. I decline to do so as I do not consider that the Hearing Officer was clearly wrong, nor that she made any material error.

30. It is pointed out that the Hearing Officer erred when she suggested that FCL has been trading in the relevant goods since 2001 (paragraph 5 of the decision). This is correct – the evidence is clear that trade did not commence until 2011, but this shorter period of trade cannot assist FCL in establishing sufficient goodwill. The turnover figures referred to by the Hearing Officer appear to be those given in exhibits 10-13 to Mr Nash's statement for Mammoth Sports Ltd. Mr Nash does provide higher figures in his witness statement for FCL's turnover in Mammoth goods to the retail trade. But the overriding point made by the Hearing Officer is that any goodwill and reputation accrued by such sales will be in the distinctive MAMMOTH brand and not in the secondary mark MEDICAL GRADE FOAM relied upon. So even if these higher figures are accepted, they do not lead to a conclusion that FCL had accrued sufficient goodwill in the term MEDICAL GRADE FOAM to be able to prevent the RP's use of MEDI-FOAM at the date of application, 25 June 2014. That is not to say that in principle goodwill cannot accrue as a result of the use of a mark alongside another mark (as FCL submitted by reference to Case C-353/03 *Nestlé v Mars* "Have a break"), but that on the facts of the present case insufficient goodwill had so accrued in MEDICAL GRADE FOAM.

31. I agree, and I certainly do not consider that it can be said that the Hearing Officer was wrong to reject the case under s.5(4)(a) or that she made any material errors of principle in doing so.

32. In conclusion, I reject all of the grounds of appeal relied upon and uphold the decision of the Hearing Officer in its entirety.

Costs

33. As for costs, although there was no hearing the RP was obliged to consider the Grounds of Appeal and file written submissions which I have considered in the course of my decision. The Hearing Officer ordered FCL to pay to the RP £1050 as a contribution to RP's costs below made up as follows:

> Considering invalidation application and accompanying statement: £400
> Statement of case in reply: £300
> Considering evidence and filing submissions: £350

34. As the RP did not file a Respondent's Notice or any other statement of case on appeal, in addition to the award made below I order that FCL pay to the RP £750 as a contribution to its costs of this unsuccessful appeal.

Thomas Mitcheson QC
The Appointed Person

The applicant for invalidation was represented by McDaniel & Co
The registered proprietor was represented by Addleshaw Goddard LLP
The Registrar took no part in the Appeal.