

O-554-18

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No. 3138122
BY TWINKL LIMITED
TO REGISTER THE TRADE MARK**

twinkl

IN CLASSES 9, 16, 18, 21, 28, 35, 38, 41 & 42

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 406304 BY
D.C. THOMSON & COMPANY LIMITED**

BACKGROUND

1) On 27 November 2015 Twinkl Limited (hereinafter the applicant) applied to register the trade mark **twinkl** in respect of the following goods and services:

- In Class 9: Educational Computer Software.
- In Class 16: Stationary, photographs, instructional and teaching material.
- In Class 18: Cotton and Polyester Shopping Bags.
- In Class 21: Household Containers, Travel and ceramic mugs.
- In Class 28: Educational Games and Toys and Christmas Tree Decorations.
- In Class 35: Retail services for the sale of educational resources.
- In Class 38: Educational portal services.
- In Class 41: Education Services and Cultural Activities.
- In Class 42: Design and development of computer software and design services.

2) The applications were examined and accepted, and subsequently published for opposition purposes on 25 December 2015 in Trade Marks Journal No.2015/052.

3) On 23 March 2016 D.C. Thomson & Company Ltd (hereinafter the opponent) filed a notice of opposition, subsequently amended. The opponent is the proprietor of trade mark UK 3119349, TWINKLE. The mark was filed on 24 July 2015 and registered on 30 October 2015 in respect of the following goods in Class 16: Paper, cardboard; wrapping and packaging materials; transfers (decalcomanias); printed matter, periodical publications, books; comics; magazines; photographs, posters; stationery; instructional and teaching materials; artists materials, paintings.

4) The opponent has filed opposition under Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), it withdrew its opposition under Sections 5(3) and 5(4)(a). The opponent later added the claim that the application was made in bad faith and so offends against section 3(6) of the Act. It is stated that the applicant provided a position statement by Peter Kearney which stated at paragraph 9: “the application is to protect the applicant’s name on promotional materials” and “The applicant required the trade mark to cover class 16 to ensure protection of its promotional materials”.

5) On 1 March 2018 the applicant filed a counterstatement, in which it states that the opponent last published the comic “Twinkle” in 1999. It also states that the parties have a co-existence agreement signed on 10 June 2014 which allows the applicant to use its marks on such goods.

6) Both parties filed evidence. Both parties seek an award of costs in their favour. As neither party wished to be heard I make the decision based upon the evidence and submissions provided by the parties.

OPPONENT’S EVIDENCE

7) The opponent filed a witness statement, dated 13 April 2018, by Christopher James Benson the opponent’s Trade Mark Attorney. He states that on 20 February 2017 the applicant filed a witness statement by Jonathan Seaton the CEO and a director of the applicant company and a “position statement” by its solicitor by Peter Kearney. As these included references to “without prejudice” discussions the opponent asked for these references to be withdrawn. The applicant withdrew these papers but replaced them with ones which also omitted aspects included in the first documents which were not covered by the “without prejudice” label. The opponent has refiled these documents suitably redacted and rely upon the following paragraphs for their section 3(6) ground.

Paragraph 13 of Mr Seaton’s witness statement read:

“13. We have been involved in a dispute with another company who was using the company’s name on their own stationery. This application is aimed at ensuring that we do not face such a dispute in the future.”

Paragraph 9 of the position statement reads:

“9.

- the application is to protect the applicant’s name on promotional materials;
- the applicant has been in dispute with another company regarding the other company’s use of the applicant’s name on items of stationery;
- the applicant requires the trade mark to cover class 16 to ensure protection of its promotional materials.”

APPLICANT’S EVIDENCE

8) The applicant filed a witness statement dated 12 June 2017 by Jonathan Seaton a Director of the applicant company. He states that the applicant has been producing digital educational resources since 2010. The company has both free users and paid users. The company has won many awards for its work in education. He also provides the following table which shows how they use their mark.

Goods and services	How the mark is used
Educational computer software and reproduction of sounds and images	Both are available as part of our paid for resources.
Education services	This is provided as part of our paid for resources.
Stationary	We produce pens with our name on them.
Photography	Photography is available as part of the resources available on our paid for resources.
Instructional and teaching materials	The majority of the resources available on the website are instructional and teaching materials.
Cotton and polyester shopping bags	We produce cotton and polyester shopping bags with our name on them.
Household containers	We produce lunch boxes with our name on them.
Travel and ceramic mugs	We produce travel and ceramic mugs with our name on them.
Educational games	This is provided as part of our paid for resources.
Toys	It is our intention to produce toys with our name on them.
Christmas tree decorations	It is our intention to produce Christmas tree decorations with our name on them.

Retail services for the sale of educational resources	This is provided as part of our paid for resources.
Educational portal services	This is provided as part of our paid for resources.
Educational services	This is provided as part of our paid for resources.
Cultural activities	This is provided as part of our paid for resources.
Design and development of computer software and design services	This is provided as part of our paid for resources.

9) The applicant also attached submissions in which it submits that the statements referred to by the opponent do not demonstrate that the applicant has no genuine intention to use the mark. It states that just because it has a particular motivation behind registering a mark does not demonstrate “no intention to use”.

10) The applicant also filed a witness statement, dated 1 March 2018, by Colin Bell its Trade Mark Attorney. He provides the following exhibits:

- CB1: Copies of the applicant’s other registrations which include the word “twinkl” in the UK and EU for items in classes 16 & 41 all of which predate the opponent’s mark.
- CB2: A copy of a co-existence and delimitation agreement dated 10 June 2014 between the parties.
- CB3: A copy of an email sent by the opponent’s representatives to the applicant’s representatives on 11 July 2017 referencing the agreement and threatening to apply for an injunction if the applicant objects to the opponent request to register the mark TWINKLE.
- CB4: Copies of undated print outs from the applicant’s on line store accessible at www.twinkl.com/store, which shows pens bags and mugs offered for sale all of which have the opponent’s registered mark upon them which is similar to the mark in suit other than the cloud device and the fact that the dot above the letter “i” is replaced with a star (see below).



11) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

12) The first ground of opposition is under section 5(2)(b) which reads:

“5.-(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.”

13) An “earlier trade mark” is defined in section 6, the relevant part of 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 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.”

14) The opponent is relying upon its trade mark listed in paragraph 3 above which is clearly an earlier trade mark. Given the interplay between the date that the opponent’s mark was registered (30 October 2015) and the date that the applicant’s marks were published (25 December 2015), the proof

of use requirements do NOT bite. The applicant continues to contest this, despite having put forward the same contentions at a Case Management Conference (cmc) in January 2018, where the Hearing Officer presiding set out in her post cmc letter the full reasons why the opponent's mark does not require proof of use. As the matter was fully dealt with at the time and no additional arguments having been filed I decline to comment further on the matter.

15) When considering the issue under section 5(2)(b), I take into account the following principles which 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 great degree of similarity between the marks, and vice versa;

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

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

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

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing decision

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

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

17) The opponent makes no comment on the average consumer whilst the applicant contends that the average consumer for its goods and services are primary school teachers, although the goods and services will be used by children and their parents. It is clear that some of the goods and services are aimed at the educational market, it is not clear why parents or grandparents would not purchase items such as educational computer software, and clearly items such as mugs, stationery and Christmas tree decorations would be purchased by the general public. To my mind, the average consumer for the goods and services applied for by the applicant would be the general public. The goods and services vary enormously in terms of complexity and price. Some of the goods would be sold in retail outlets or via the internet, whilst a number of the services (educational portal services) would, on occasion, require the purchaser to provide information to the service provider necessitating a conversation be it face to face, over the telephone or on-line. Even if the goods or services require the provision of information the initial selection is likely to take place from advertisements online, in printed advertisements or from a compendium of information such as yellow pages, although I must also take into account word of mouth recommendations. Therefore, I consider the visual aspect as being the most important in selection although aural considerations also apply. The prices of the goods and services will vary enormously as will the level of attention which the average consumer will pay to the selection, but to my mind it will range from a low to a medium degree of attention and when I consider the likelihood of confusion I will adjust the level of attention that the consumer for the relevant goods and/or services will take in respect of those goods and/or services.

Comparison of goods and services

18) In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating

to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

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

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

20) In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that “complementary” means:

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

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

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

Whilst on the other hand:

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

22) I also take into account the comments of Jacob J. in *Avnet Incorporated v. Isoact Ltd* [1998] FSR 16 where he said:

"In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase."

23) I also look to the comments in *Commercy AG, v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-316/07, where the General Court pointed out that:

"43. Consequently, for the purposes of applying Article 8(1)(b) of Regulation No 40/94, it is still necessary, even where the two marks are identical, to adduce evidence of similarity between the goods or services covered by them (see, to that effect, order of 9 March 2007 in Case C-196/06 P *Alecansan v OHIM*, not published in the ECR, paragraph 24; and Case

T-150/04 *Mülhens v OHIM – Minoronzoni(TOSCA BLU)* [2007] ECR II-2353, paragraph 27).”

24) Thus, where the similarity between the respective goods or services is not self - evident, the opponent must show how, and in which respects, they are similar. The goods and services of the two parties are as follows:

Applicant’s Goods and services	Opponent’s goods
Class 9: Educational Computer Software. Class 16: Stationary, photographs, instructional and teaching material. Class 18: Cotton and Polyester Shopping Bags. Class 21: Household Containers, Travel and ceramic mugs. Class 28: Educational Games and Toys and Christmas Tree Decorations. Class 35: Retail services for the sale of educational resources. Class 38: Educational portal services. Class 41: Education Services and Cultural Activities. Class 42: Design and development of computer software and design services.	Class 16: Paper, cardboard; wrapping and packaging materials; transfers (decalcomanias); printed matter, periodical publications, books; comics; magazines; photographs, posters; stationery; instructional and teaching materials; artists materials, paintings.

25) I shall first consider the applicant’s class 9 goods. The opponent contends that these goods are similar to its “instructional and teaching materials” as both are read and share the same purpose. They state that the users are the same and that it is common to see printed matter with a CD-ROM attached, thus the trade channels are the same. The opponent also refers to a previous decision of the Registry (O-053-14) which it claims came to the same conclusion where it stated:

“60. Edizioni has cover for *application software*. The commonplace, colloquial way to refer to such software nowadays is as ‘apps’. The evidence of both parties shows that they offer apps which relate to the content of their respective magazines. Although the nature of apps and magazines are different, one being paper and one being software, they involve the same end users, they are both read and share the same purpose, which is to provide and information about the subjects covered by the magazines. In Advance’s case, it has two apps, one a preview of the digital version of its magazine; the other a beauty shopping guide. Application

software is a subset of software at large, also covered by Edizioni's specification. There is a reasonable degree of similarity between *women's interest magazines* and *software; application software.*"

26) However, to my mind the above case is not on all fours with the instant case as it is clear that both companies in the case quoted above were both engaged in the publishing business with ancillary goods and services, not as here engaged in primarily different businesses. I accept that printed publications often attach a cd-rom to them as part of a marketing strategy, as the cd is a give-away. If one is in the market for software then you will not end up in the magazine area of WH Smith or Tesco. Such stores have entirely different areas for software. To use the opponent's analogy of printed matter being attached to goods making goods similar would lead to a finding that flat pack furniture such as that sold by Ikea would be regarded as similar to printed matter simply because they, allegedly, come with assembly instructions. Whilst the uses and users may be similar they will not, in my opinion share trade channels although they are in direct competition. **The goods must be considered similar to at least a medium degree.**

27) Moving onto the applicant's class 16 goods which are "Stationary, photographs, instructional and teaching material". The same terms can be found in the opponent's specification and so **these goods must be considered as identical.**

28) The applicant's goods in classes 18 and 21 are completely different to the opponent's goods. Indeed the opponent makes no comment upon these goods, **they are therefore not similar.**

29) Moving onto the applicant's goods in class 28. The opponent contends that the applicant's "educational toys and games" are similar in nature to "instructional and teaching materials" in class 16 as they involve the same end users and share the same purpose which is to provide education. The opponent also contends that "comics and magazines" will be directed to the same end users, including young people in education. Educational toys and games are frequently purchased for very young children who cannot read, further there is a world of difference between the materials used in toys and games and printed matter. Nor will they be sold in the same area of a shop, indeed they will usually be in completely different stores. **To my mind these goods are not similar.**

30) I next consider the class 35 services. The opponent contends that these are similar to its class 16 goods of "instructional and teaching materials" as the services are complementary to the goods. The

test is whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. The opponent has not shown that it is common for such retail outlets to sell “own brand” printed matter, despite this I have to agree that there is a degree of complementarity **such that the services must be considered similar to a low degree to the goods of the opponent.**

31) I next turn to the class 38 services. The opponent contends that these services are complementary to its class 16 goods of “instructional and teaching materials” as the services could relate to the class 16 goods. I do not understand how the provision of educational portal services could relate to printed matter. **They seem to me intrinsically different**, as one is a physical product the other relates to computer services delivered via the internet. No evidence on this issue has been provided by the opponent.

33) Next, I look at the class 41 services. The opponent contends that these are similar to its class 16 goods as “a consumer can choose to rely upon supported printed matter for a course rather than attend the course itself. There is also a complementarity in that educational printed matter is important for the provision of these services”. The physical nature of printed matter is totally different to the provision of “educational services”, the users may well be different in that if provided for young children or those with special needs they may not be able to read. Nor do I accept they are in competition, having a teacher taking one through a subject or tasks is very different to simply reading a book on the subject. I do not accept that printed matter is essential for the provision of these services as some topics such as art etc do not require printed materials. Moving onto the “cultural activities” applied for, the opponent contends that although these are unspecified they “could relate to performances of or activities focusing on any or all of the opponent’s printed matter, periodical publications, books, comics, magazines, photographs, posters and paintings”. If a lecture or play were given regarding a photographer or painter this is in no way similar to the provision of paintings or photographs. **The applicant’s class 41 services are completely different to the opponent’s class 16 goods.**

34) Lastly, I turn to the applicant’s class 42 services. Once again the opponent contends that these services are similar to its class 16 goods of “instructional and teaching materials” claiming that the services are complementary to the goods as the software could relate to educational matters and be offered to schools who would also be the purchasers of the opponent’s printed matter. If one is looking to have computer software developed specifically to meet a need or to engage a design

company I very much doubt that one would consider a printing company. One would want to find experts to carry out such services and would take some time and trouble in the selection. There is a clear difference in uses, physical nature and trade channels, and to my mind they can neither be considered in competition nor complementary. **The applicant's class 42 services are not at all similar to the opponent's goods in class 16.**

Comparison of trade marks

35) 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:

“.....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.”

36) It would be wrong, therefore, to artificially dissect the trade 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 trade marks to be compared are:

Applicant's Mark	Opponent's mark
twinkl	TWINKLE

37) The applicant's submissions on the marks are not relevant as they compared the composite mark shown at paragraph ten above which is not the mark sought to be registered. Clearly the marks of the two parties are identical except for the last letter where the opponent's mark has a letter "e" which is missing from the applicant's mark. The applicant did state that its mark has no meaning and is not a common mis-spelling but is a coined term and lexical invention. I do not accept these contentions.

The average consumer may notice the absence of the letter “e” but it is an unfortunate fact that misspelling of words in common place particularly amongst the texting generation. The marks are visually highly similar, they are aurally and conceptually identical. **Overall the marks are highly similar.**

Distinctive character of the earlier trade mark

38) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 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).”

39) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of

confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.'

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

40) The opponent has not provided any evidence in relation to use of its mark and **so cannot benefit from enhanced distinctiveness as a result of use**. The opponent's mark is a well-known dictionary word *twinkle* which would be recognised as meaning to sparkle or shine. It has no obvious meaning in relation to the class 16 goods and is to my mind **inherently distinctive to a medium degree**.

Likelihood of confusion

41) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive the trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer for the goods and services is a member of the general public who will select them by predominantly visual means, although I do not discount aural considerations

and that they are likely to pay a varying degree (ranging from low to medium) of attention to the selection of such goods and services.

- the marks of the two parties are highly similar.
- the opponent's mark has a medium level of inherent distinctiveness but cannot benefit from an enhanced distinctiveness through use.
- the goods and services are as set out earlier in the decision.

42) I must also consider the comments of Mr Iain Purvis Q.C. as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, where he noted that:

“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).”

43) In view of all of the above, and allowing for the concept of imperfect recollection, there is in my opinion a likelihood of consumers being confused into believing that those goods and services applied for under the mark (see below) in suit which I have found to be at least similar are those of the opponent or provided by some undertaking linked to it.

- Class 9: Educational Computer Software.
- Class 16: Stationary, photographs, instructional and teaching material.
- Class 35: Retail services for the sale of educational resources.

44) The opposition against these goods and services under section 5(2)(b) therefore succeeds.

45) The opposition under Section 5(2) (b) therefore fails in relation to these goods and services.

46) However, the applicant prays in aid Section 5(5) of the Act which reads:

“Nothing in this section prevents the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration.”

47) In relation to this the applicant refers to a co-existence agreement between the two parties dated 10 June 2014. Broadly, this states that the applicant will not seek to register the mark TWINKLE whilst the opponent will not oppose the registration or use of the mark TWINKL in relation to “an online educational resource website”. The opponent has not commented upon this agreement in its submissions, nor has it provided any evidence to contradict its existence or content.

48) To my mind, the class 9 goods of “Educational Computer Software” and the services in class 25 of “Retail services for the sale of educational resources” would fall within the description of “an online educational resource website”, and as such the opponent would be precluded from objecting to the registration in respect of these goods and services. I do not believe that this can be extended to the class 16 goods which seem to be far too generalised to be accepted within the very narrow description in the agreement.

49) The consequence of this is that my earlier finding (see 43 & 44 above) in relation to the goods in class 9 and services in class 35 is superceded by the agreement.

50) Lastly I turn to the ground of opposition under section 3(6) which reads:

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

51) The law in relation to section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch), as follows:

“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].

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 Plastics 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)."

52) The opponent contends that the applicant had no intention of using the trade mark applied for in the course of trade but instead contends that it was merely being applied for to use on promotional items. It bases this contention upon the position statement by Peter Kearney the applicant's solicitor which stated at paragraph 9: "the application is to protect the applicant's name on promotional materials" and the witness statement, dated 20 February 2017, of a company director (Mr Seaton) who stated "The applicant required the trade mark to cover class 16 to ensure protection of its promotional materials" and "we have distributed promotional materials with our logo on for some

years. They are distributed at education fairs, teaching colleges and sent to customers to name a few examples. The promotional materials are not offered for sale and have no commercial value”.

53) In *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHR 1929 (Ch), Arnold J. held that a possible or contingent intention to use the mark in relation to the goods/services covered by the application would normally be sufficient to prevent a finding of bad faith on the grounds of no intention to use the mark. He stated:

“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”. [i.e. whether the application is an attempt to gain protection for an unregistrable mark or to block others from using the mark]

54) Section 32(3) of the Act sets out, as a basic requirement of making an application, that an applicant confirm in a statement that the trade mark is being used, either by the applicant or with his consent, in relation to the goods or services for which they seek registration of their mark, or they have a bona fide intention that it shall be so used. The section does not require that an applicant be using the trade mark in relation to all, or indeed any of the goods or services for which they seek registration at the time of application for registration, only that where the mark is not in use that there is a bona fide intention that it will be so used. Section 32(3) clearly allows for some futurity in putting the trade mark into use, and although the section does not set a timescale, from the provisions of Section 46 it would appear that the Act envisages that an applicant should have a real intention of doing so within the five years following registration. In the instant case it may well be that, as is suggested in the position statement, the applicant has given away promotional items. It does not mean that they intend to continue to do so, or that they will not sell items with the trade mark on and in addition in certain circumstances give these items away as a form of publicity. Indeed, when one looks at the evidence provided at exhibit CB4 it shows pens bags and mugs offered for sale albeit with the already registered logo mark upon them. To my mind, this indicates that the applicant intends to continue this trade with the new word mark only. **As such the ground of opposition under section 3(6) fails.**

CONCLUSION

55) The opposition in respect of the ground of opposition under section 5(2)(b) succeeded in respect of the following goods only:

- Class 16: Stationary, photographs, instructional and teaching material.

56) The opposition under section 5(2)(b) in relation to all the other opposed goods and services has failed. The mark will be registered for all of the goods and services applied for by the applicant save for the goods in class 16.

57) The opposition under section 3(6) failed completely.

COSTS

58) As the applicant has had the greater degree of success it is entitled to a contribution towards its costs. However, the applicant has sought costs above the normal scale. Before determining the costs to be awarded I will allow both parties one month from the date of this decision to provide submissions solely on the issue of costs. The appeal period for the actual decision will not start until the decision on costs has been issued.

Dated this 6th day of September 2018

George W Salthouse
For the Registrar,
the Comptroller-General