

O-638-18

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION NO. 3142026

IN THE NAME OF MICHEL ROGER MAURER

FOR THE TRADE MARK:

GUMTREE

IN CLASSES 18, 25 AND 28

AND

AN APPLICATION FOR A DECLARATION OF INVALIDITY

UNDER NO. 501753 BY GUMTREE.COM LIMITED

Background and pleadings

1. On 23 December 2015, Michel Roger Maurer (“the proprietor”) applied to register the trade mark **GUMTREE** under number 3142026 (“the contested trade mark”). It was registered on 1 April 2016 for a range of goods in classes 18, 25 and 28, which are listed at paragraph 53, below.

2. On 8 August 2017, Gumtree.com Limited (“the applicant”) applied to have the contested trade mark declared invalid under s. 47 of the Trade Marks Act 1994 (“the Act”). The grounds are based on ss. 5(2)(a), 5(3) and 5(4)(a) of the Act and, under each of these grounds, the invalidity is directed against all of the goods in the contested trade mark’s specification.

3. Under ss. 5(2)(a) and 5(3), the applicant relies upon its European Union trade mark (“EUTM”) number 3930989 for the trade mark **GUMTREE**. The mark was filed on 13 July 2004 and has a registration date of 23 September 2005. It is registered for various services in classes 35, 39 and 43. Although the applicant initially relied upon a range of services in classes 35 and 43, the claim under both ss. 5(2)(a) and 5(3) is now based upon the following services in class 35 only:¹

Class 35 Advertising and promotion services and information services relating to advertising; advertising and promotion services and information services provided on-line from a computer database or the Internet; compilation of advertisements for use as web pages on the Internet; provision of space on web sites for advertising goods and services; provision of space on websites for advertising accommodation or for advertising for accommodation.

4. The applicant claims that the marks are identical and that the goods and services are identical or similar. It claims that the use which has been made of the earlier mark has

¹ Written submissions, §14.

enhanced its distinctive character and that there is a likelihood of confusion, including the likelihood of association.

5. Under s. 5(3), the applicant claims that its mark has a reputation in the UK such that use of the contested mark would cause the relevant public to believe that there is an economic connection between the applicant and the proprietor, where no such connection exists. It claims that use of the contested trade mark would take unfair advantage of the earlier mark, free-riding on the reputation and/or prestige of the earlier mark, illegitimately benefitting from the marketing efforts expended by the applicant. The applicant also claims that there would be dilution of the distinctive character of the earlier mark because “the presence on the market of an identical mark will reduce the capacity of the Earlier Trade Mark to arouse an immediate association with the Invalidity Applicant’s services and thus dilute its value and reputation”.²

6. Given its date of filing, the opponent’s trade mark qualifies as an earlier mark in accordance with s. 6 of the Act. The applicant states in its application for invalidation that the mark has been used on all of the services upon which reliance is placed. This statement is made because the earlier mark had been registered for five years at the date of the application for invalidation and it is, therefore, subject to the proof of use provisions contained in ss. 47(2A)-(2E) of the Act. The relevant period under these provisions is 9 August 2012 to 8 August 2017.

7. The applicant further claims under s. 5(4)(a) of the Act that the sign **GUMTREE** has been used throughout the UK since March 2000. The applicant’s comments at paragraph 7 of its submissions regarding “the invalidity applicant’s use of GUMTREE” and its indication that its submissions on the point will be made first “as it impacts on all three grounds relied upon by the Invalidity Applicant” appear to indicate that, as with the claims under ss. 5(2)(a) and 5(3), the ground under s. 5(4)(a) is now based on the services listed above at paragraph 3, rather than the wider range of services originally

² A claim that the earlier mark’s reputation would be damaged was made initially but later dropped: written submissions, §§32-33.

relied upon in its notice of opposition. The applicant claims that it has acquired goodwill under the sign and that:

“use of the contested trade mark would constitute a misrepresentation, as it would lead the relevant public to believe (erroneously) that there is a commercial connection between the Invalidity Applicant and the owner of the Registration, or alternatively that they are one and the same entity. This would lead to damage to the Invalidity Applicant and its goodwill in connection with the mark GUMTREE”.

8. The proprietor filed a counterstatement in which he denies the grounds of invalidity. He denies that there is any similarity between the goods and services of the respective marks. The proprietor also denies that the earlier mark has a reputation in the UK and that there would be detriment or damage of any kind to the earlier mark. The claim that the applicant has a goodwill is denied. The proprietor required in its counterstatement that evidence of use be provided for all of the services upon which the applicant relies. He also put the applicant to proof of its reputation and of its goodwill in the UK.

9. Both parties filed evidence. Neither party requested a hearing but both parties filed written submissions in lieu, which I will bear in mind. The applicant has been represented throughout by Mishcon de Reya LLP and the proprietor by Taylor Wessing LLP.

10. This decision is taken following a careful reading of all of the papers.

Evidence

Applicant's evidence

11. This consists of two witness statements of David Paul Rose, a solicitor and partner at the applicant's professional representatives. Although I have read all of the evidence,

only the most pertinent material is summarised below. The submissions made in Mr Rose's evidence will be borne in mind.

12. The inception and launch in 2000 of the applicant's website, www.gumtree.com, is described at exhibit DPR1, which is an article from *LONDON loves BUSINESS* dated April 2012. The founders are quoted as stating that "gumtree" is used to describe certain types of tree in Australia, New Zealand and South Africa. The article describes the applicant's website as "the UK's largest classifieds website" and notes its sale in 2005 to eBay Inc. (the applicant's parent company: Rose 1 at §4.). At the date of the article, the website is said to have 13.7 million users every month.

13. Exhibit DPR2 shows that the applicant's website attracted an average of 17.8 million visitors each month in 2016, up from 14.4 million in 2015; downloads of its app' also increased in 2016 to 15.2 million. Exhibit DPR3 shows that the website was ranked number 23 in the UK in May 2017. Prints from www.gumtreeforbusiness.co.uk (from the WayBack Machine internet archive) state that 18% of the UK digital population visited the main [gumtree.com](http://www.gumtree.com) site in January 2014, 37% in January 2016 and 33% in November 2016, with most visits relating to the "for sale" category (the other categories being motors, jobs, property, pets and services).³ The following marks are visible:



14. Four prints from www.gumtree.com dated July 2013, January 2016, April 2017 and July 2017, taken from the WayBack Machine, are provided.⁴ Category headings equate

³ DPR5.

⁴ DPR4.

to those described above (pp. 1 and 4); property adverts are visible at pp. 2-3. The original logo and the mark reproduced below are visible:



15. Prints from www.appannie.com are provided.⁵ However, the first set of prints relates to December 2017 (i.e. after the end of the relevant period) and the second set appears to relate to the US, with no discernible use of the earlier mark. There is, though, evidence that the “Gumtree” application was number 25 on Google Play in the UK in December 2015.⁶

16. Mr Rose gives turnover figures for the applicant, from over £35 million in 2012 to over £65 million in 2016. Mr Rose indicates that the information is sourced from the accounts filed at Companies House. The 2016 accounts are exhibited, which substantiate the claims of turnover for both 2015 and 2016.⁷ The principal activity is given as “e-commerce trading” (p. 5).

17. Mr Rose states that he is informed that the applicant’s outlay in promoting the Gumtree website was £13.7 million in 2015 and £16.6 million in 2016. It is said that this included television advertising campaigns but the advertisements themselves are not in evidence, only links to www.youtube.com. There is evidence that the applicant sponsored the *Big Brother* television show in 2015, with the sponsorship said to have resulted in a 14% increase in new visitors to the applicant’s website and an 8% increase in return visits.⁸ It is said that the resulting “media value” of the sponsorship was worth five times the applicant’s investment.

18. Examples of advertising featuring the following mark are provided at DPR10:

⁵ DPR7

⁶ DPR8

⁷ DPR20.

⁸ DPR9 and Rose 1, §19 (b).



Mr Rose's evidence is not explicit on the point but it appears that these advertisements were part of a campaign run during 2016. The advertisements suggest musical instruments and lessons, jobs and vehicles are available through the website. Similar undated advertisements for an app' are provided at DPR11, which show the mark reproduced above; again, the dates of these advertisements are not entirely clear.

19. Further images of advertising campaigns said to have been launched "in 2017" are provided at DPR12. The mark shown at paragraph 18, above, is visible. Items suggested for sale are trainers, a bike and a blender. Six radio advertisements said to be dated 2016 and one said to date from 2017 are included at DPR13. They refer to "Gumtree" as a place to find jobs and buy and sell various goods.

20. Multiple articles from UK publications, including national newspapers such as the *Guardian* and *Telegraph*, are exhibited at DPR14. The articles are dated between June 2013 and July 2017, with the vast majority clearly relating to the UK market. In many of these articles, the applicant is mentioned only in passing. I note, however, that it is variously described as a "sellers website", "one of the biggest websites of its kind", a "listings" site/website, a "classified ads website", an "online noticeboard", an "online classified bazaar", a "forum for ads, jobs and more", an "online auction site" and "the UK's biggest free classified ads site".⁹ Often, it is mentioned with no explanation or is grouped with sites such as eBay or Amazon.¹⁰ There are references throughout to the vast array of goods available through the site, from furniture to cars to property.

⁹ DPR14, section 1 (2012-2013), pp. 6, 11, 14, section 2 (2013-2014) pp. 32, 51, 55, section 3 (2014-2015) pp. 13, 21, section 4 (2015-2016) pp. 9, 29, 59, respectively.

¹⁰ See, for example, section 1 (2012-2013) p. 10, section 3 (2014-2015) p. 14, section 4 (2015-2016) pp. 40, 43, 61.

21. Mr Rose gives evidence regarding the applicant's various social media accounts and pages.¹¹ The supporting exhibits appear to be dated December 2017 (i.e. after the relevant date/period). However, exhibit DPR16 records the Twitter joining dates for @Gumtree as January 2009, the @GumtreeDevTeam as November 2013, and @HelpMeGumtree as December 2015. The new logo is visible on the first two. I also note that the YouTube channel contains links to videos regarding "Gumtree Celebrity Big Brother" uploaded two years previously, as well as television adverts from 2015.¹²

22. Mr Rose's second statement is accompanied by three exhibits and was filed in response to the proprietor's evidence. Exhibit DPR22 is said to show that in 2007 and 2011 www.gumtrees.com redirected to www.gumbies.co.uk. Neither the website address nor the word "GUMTREE" is visible. Further prints from the WayBack Machine dated 2013 and 2016 are exhibited at DPR23, which are said to show that the gumtrees.com site redirected elsewhere. No further information is provided.

23. Exhibit DPR24 consists of two prints of the gumbiesuk and gumbiesaustralia Instagram accounts, which show flip flops on a display stand. They do not assist.

Proprietor's evidence

24. This consists of two witness statements of Michel Roger Maurer, the proprietor, with four accompanying exhibits. Again, only the most relevant evidence is recorded here.

25. Mr Maurer explains the genesis of the trade mark, stating that he was living in Australia when he began working in the sector and that:

"I decided to use the name GUM as part of my branding for footwear as gum is the latex from the rubber tree which formed part of the flip-flops I was selling. [...] The Gumtree is a tree which forms an integral part of the

¹¹ Rose 1, §21 and exhibits DPR15-DPR19.

¹² DPR19.

Australian landscape and therefore it was natural for me to use this name as a brand given I was living in Australia and I wanted to use the GUM word”.¹³

26. Mr Maurer states that he began selling “Gumbies” flip flops in 1993 and that Gumbies Limited was formed in the UK in 2006. Mr Maurer states that he registered the domain names www.gumbies.com and www.gumtrees.com in 2004 and 2003, respectively. A list of domain names is exhibited but no dates are visible.¹⁴

27. Mr Maurer states that he has been using a stand called a “GUMTREE” to display footwear since 2006. Undated photographs of a display stand are at MRM3. Design drawings show “Gumtree”, apparently on the base section of the stand, though this is not discernible in the photographs of the stand in use.

28. Mr Maurer states that he sold flip flops bearing the mark “GUMTREE” in the UK and the US between 1996 and 2006.¹⁵ Undated images are provided, including one of a flip flop and “point of sale material” (which appears to be a wooden sign) on which the following mark is visible:



Proof of use

29. Section 5 has application in invalidation proceedings because of the provisions of s. 47 of the Act. The first issue is whether, or to what extent, the applicant has shown genuine use of the earlier mark. The relevant statutory provisions are as follows:

“47. – [...]

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

¹³ §3.

¹⁴ MRM2.

¹⁵ Maurer 2.

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
- (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

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

(2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

- (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,
- (b) the registration procedure for the earlier trade mark was not completed before that date, or
- (c) the use conditions are met.

(2B) The use conditions are met if –

- (a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes –

- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Union.

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)

[...]

(5) Where the grounds of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made.

Provided that this shall not affect transactions past and closed”.

30. Section 100 of the Act is also relevant. It states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it”.

31. When considering whether genuine use has been shown, I must apply the same factors as if I were determining an application for revocation based on grounds of non-use. What constitutes genuine use has been subject to a number of judgments. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For

example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]”.

32. As the earlier mark is an EUTM, the comments of the Court of Justice of the European Union (“CJEU”) in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, are relevant. The court noted that:

“36. It should, however, be observed that [...] the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use”,

and

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy

the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark”.

It went on to state:

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77)”.

The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances,

including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity”.

33. In *London Taxi*, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

“228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issues in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility

of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State". On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use".

34. The General Court ("GC") restated its interpretation of *Leno Marken* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now an EUTM). Consequently, in trade mark opposition and cancellation proceedings, the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods being limited to that area of the Union.

35. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods at issue in the Union during the relevant 5-

year period. In making the required assessment I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown
- ii) The nature of the use shown
- iii) The goods and services for which use has been shown
- iv) The nature of those goods and the market(s) for them
- iv) The geographical extent of the use shown

36. I begin by noting that the applicant's evidence has been provided not by an employee of the applicant but by its professional representative. Moreover, whilst there is no question that Mr Rose is telling the truth, some of his narrative evidence is hearsay: the information has been provided to him by someone else (eBay's legal representatives). The proprietor draws my attention to this and invites me to assess the weight of the evidence accordingly. In accordance with ss. 1 and 4 of the Civil Evidence Act 1995, I may give hearsay evidence the weight it deserves. Whilst I bear in mind that the information is not contemporaneous and has been provided to Mr Rose for the purpose of these proceedings, I also keep in mind that the information is said to have been obtained by one firm of professional representatives from another and there is nothing to suggest that the way in which the evidence has been provided is an attempt to hamper the proper evaluation of its weight. I will give reasonable weight to the unsupported hearsay evidence (e.g. levels of advertising spend). The "evidence" which is merely opinion will be given no evidential weight.

37. The evidence shows that the mark has been used in the following forms:



38. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the CJEU found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish ‘use’ within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35 Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade

mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term 'genuine use' within the meaning of Article 15(1)" (my emphasis).

39. All of the marks shown above feature the word "Gumtree", along with other matter. It matters not that the registration is in capital letters, as fair and notional use permits use in upper or lower case or, as here, in title case. The use of other material is not such as to undermine the ability of the word "Gumtree" to signal origin. I consider that all of the above uses qualify as use of the earlier mark, under the criteria set out in *Colloseum*.

40. In terms of sufficiency of sales, the applicant is clearly a very successful company which has generated a large and sustained level of turnover. The level of use, even if only the 2016 figures were taken into account, is more than adequate for the genuine use assessment.

41. I turn now to the question of a fair specification. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Geoffrey Hobbs Q.C., sitting as the Appointed Person summed up the law as being:

"In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned".

42. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of

protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46”.

43. The proprietor submits that the applicant’s use has, by its own admission, been in respect of an “online sales and advertising platform”. It submits that this does not qualify as use for the class 35 services for which the earlier mark is registered. The latter are, according to the proprietor, “for example advertising services which are those provided for example by a traditional advertising agency creating advertising material for third parties”.¹⁶ I see no reason why providing an online advertising platform would not fall under the broad heading of advertising or promotion services. The registration self-evidently does not cover retail services.

44. The evidence shows that the applicant’s business is essentially an online platform for classified adverts, with a vast array of different goods and services, property and jobs being advertised and sold daily. It does not appear from the evidence that the users submit fully-formed adverts, which are simply displayed on the site, although detailed information about the process is scant. Rather, it appears that users submit information and photos, which the site presents in the form of an advertisement, in a list with other adverts. It also appears that the website allows users to search or browse for specific items, including by using filters (type of goods, location) and categories.¹⁷ There is no evidence that the applicant provides support or assistance in the creation of advertising strategies, nor that it plays a more active role in the advertising process than that described above, i.e. that the raw information provided by the consumer is converted into an advert and displayed on the website. After careful consideration, I come to the view that the applicant’s services would be fairly described by the average consumer as “classified advertising services”. That is the specification upon which the applicant may rely.

¹⁶ Written submissions, p. 2.

¹⁷ DPR4.

Section 5(2)(a)

45. Section 5(2)(a) of the Act is as follows:

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the 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”.

Comparison of goods and services

46. When making the comparison, all relevant factors relating to the goods and services in the specification should be taken into account. In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, the CJEU stated at paragraph 23 of its judgment:

“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”.

47. Guidance on this issue has also come from Jacob J. (as he then was) *British Sugar Plc v James Robertson & Sons Ltd* (the *Treat* case), [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

(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.

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

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

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

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

50. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion 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 GC stated that “complementary” means:

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

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

52. I also bear in mind Mr Alexander’s comments in the same case, where he warned against applying too rigid a test when considering complementarity:

“20. In my judgment, the reference to “legal definition” suggests almost that the guidance in Boston is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, 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. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston”.

53. The goods and services to be compared are:

Earlier specification	Contested specification
<p><u>Class 35:</u> Classified advertising services.</p>	<p><u>Class 18:</u> Leather and imitations of leather; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery; articles of luggage being bags; baggage; travel baggage; travel bags; weekend bags; work bags; toiletry cases sold empty; tool bags [empty]; sports bags; shopping bags; bags for clothes; bags made of leather; bags made of imitation leather; bags made of plastics; money bags; school bags; shoe bags.</p> <p><u>Class 25:</u> Clothing; footwear; headgear.</p>

	<u>Class 28:</u> Sports equipment and accessories therefor.
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54. The nature of the goods and services is different, as is always the case with goods on the one hand and services on the other. The method of use will also be different. The purpose of the applicant's services is to facilitate the promotion of a third party's goods, including by providing the website space for such promotion. That purpose is different from the purpose of all of the proprietor's goods. Their methods of use are different and, whilst their users may overlap, it is at a very high level of generality. The goods and services are not in competition.

55. The applicant submits that the goods applied for are similar to the services of the earlier specification. It refers to earlier decisions of both the UK IPO and the EUIPO Opposition Division, in which watches were found to be similar to the retailing of watches, and coffee similar to the provision of food and drink.¹⁸ This appears to be an argument that there is complementarity between the goods and services. I do not accept that to be the case here. Whilst classified advertising services may well be used to advertise the whole range of goods in the contested specification, along with many others, it cannot be said that any of the goods are indispensable or important for the use of the services (or vice versa) in the sense defined in the case law: there is no intrinsic link between the goods and the services. Moreover, the consumer is unlikely to think that responsibility for the respective goods and services lies with the same undertaking, there being no close affinity between them and no evidence that it is usual for an advertising service to develop its business by providing the goods in the contested specification. There is no similarity between any of the goods in the contested specification and the services of the earlier mark.

¹⁸ O/335/15 and B2365859.

56. If there is no similarity between the goods and services, there can be no confusion.¹⁹ The opposition under s. 5(2)(a) is therefore rejected.

Section 5(4)(a)

57. 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”.

58. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court stated that:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

¹⁹ *Waterford Wedgwood plc v OHIM*, Case C-398/07P (CJEU), *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA at [49].

56 In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)".

The relevant date

59. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11, Daniel Alexander QC, sitting 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 TMO-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’.

60. The prima facie relevant date is the date on which the trade mark application was filed, i.e. 23 December 2015. However, the proprietor has filed evidence in support of his claim that he sold footwear branded “GUMTREE” in the UK between 1996 and 2006.²⁰ Whilst pre-filing use may be of assistance (for example by establishing that

²⁰ Maurer 2, §3 and MRM4; Maurer 1, §5 and MRM3.

there is concurrent goodwill, in which case the relevant rights of the parties must be determined), to be relevant the proprietor's activities would have to have created goodwill of his own. In my view, the proprietor's evidence falls far short of establishing goodwill: there is no evidence of any sales, whether in the form of turnover or invoices, and it is far from clear what cognisance, if any, the public would have taken of the use of the sign "Gumtree" on a shoe stand. As a consequence, the only date at which the position is to be judged is 23 December 2015.

Goodwill

61. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), the court stated:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start".

62. It is plain that, by 23 December 2015, the applicant for invalidation had a business in the field of classified advertising and that the sign "GUMTREE" was distinctive of that business. The evidence of turnover and reach is compelling. The applicant has, in my view, established that its goodwill was very significant at the relevant date.

Misrepresentation

63. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

"There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.*

[1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]”.

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101”,

and later in the same judgment:

“[...] for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion”.

64. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), Millet L.J. made the following findings about the lack of a requirement for the parties to operate in a common field of activity and about the additional burden of establishing misrepresentation and damage when they do not:

“There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business. The expression “common field of activity” was coined by *Wynn-Parry J. in McCulloch v. May* (1948) 65 R.P.C. 58, when he dismissed the plaintiff's claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation Ltd.* (1898) 15 R.P.C. 105 (cameras and bicycles); *Walter v. Ashton* [1902] 2 Ch. 282 (The Times newspaper and bicycles) and is now discredited. In the *Advocaat case Lord Diplock* expressly recognised that an action for passing off would lie although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego case Falconer J.* acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the *Lego case Falconer J.* likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

In the same case Stephenson L.J. said at page 547:

“...in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the

fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged “passer off” seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser said in the *Advocaat* case, be substantial.”

65. The fields of activity do not overlap to a meaningful degree. That increases the burden on the applicant to show that there would be deception, as opposed to “mere wondering”. In short, I am not persuaded that it has discharged that burden. There is no evidence of any actual deception. The wholly separate fields of activity are such that, in my view, there would be no misrepresentation. I am unable to discern, and the applicant has not provided, a reason why the relevant public would believe that the applicant has extended its business to the provision of the contested goods in classes 18, 25 and 28. Naturally, I accept that all of the goods may appear on the applicant's sites. That is, however, very different from the applicant providing those goods itself. Moreover, the evidence does not establish that the goods are bought through the applicant's website, merely that the site carries advertisements for goods (and services). There is no evidence, nor indeed persuasive submissions, that it would be a usual or logical step for the applicant to extend its business into the field in which the proprietor operates. Whilst the applicant's goodwill is extensive and the sign strongly associated with the goodwill, which may cause the relevant public to wonder if the businesses are the same or connected, the gap between classified advertising services and the goods at issue is, in my view, too great to cause a substantial number of the applicant's customers to purchase the goods of the proprietor in the belief that they are the goods of the applicant. Consequently, use of the contested mark would not constitute a misrepresentation to the public. The s. 5(4)(a) ground of invalidity is dismissed.

Section 5(3)

66. 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”.

67. 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, *Adidas-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*).

Reputation

68. In *General Motors*, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it".

69. As is clear from the case law cited above, as the earlier mark is an EUTM it must be known by "a significant part" of the relevant public in the EU.²¹ It is also clear from the comments of Geoffrey Hobbs QC, sitting as Deputy Judge of the High Court, that a reputation in the UK will qualify as a reputation in the Community (*Whirlpool Corporations and others v Kenwood Limited* [2009] ETMR 5 (HC)):

"76. Article 9(1)(c) provides protection for Community trade marks which have a reputation "in the Community". Kenwood suggested that this means a reputation across the Community as a whole or at least a large area of it. I do not agree. In the case of a trade mark registered at the national level, protection of the kind provided by art.9(1)(c) can be claimed for trade marks which have a reputation in the sense that they are known by a significant part of the public concerned by the products or services covered by that trade mark in the territory of registration. Since the territory of registration is part of the Community, the trade mark has a reputation in the Community. The trade mark does not cease to have a reputation in the Community if the national registration is either subsumed within a Community trade mark registration under art.34(2) of the CTMR on the basis of a valid claim to seniority or duplicated by a Community trade mark registration. In principle, a Community trade mark should not receive less protection than a national trade mark with a reputation in the same territory. I think that the aim should generally be to prevent conflict occurring in any substantial part of the Community and that the United Kingdom can for that purpose be regarded as a substantial part of the Community, with or without the addition of France and Germany. It thus

²¹ *PAGO International GmbH v Tirolmilch registrierte Genossenschaft mbH*, C-301/07 (CJEU).

appears to me that Whirlpool's Community trade mark has a reputation in the Community”.

70. The applicant has shown significant turnover under the earlier mark and impressive UK market share over a period of years. The press articles support the view that the applicant's website is a market-leader and enjoys nationwide reach in the UK. I have no doubt that, at the relevant date, the earlier mark had a reputation in the UK (and by extension the EU) in respect of classified advertising services.

Link

71. My assessment of whether the public will make the required mental link between the marks must take account of all relevant factors. The factors identified in *Intel* are:

(i) the degree of similarity between the marks

The marks are identical.

(ii) the nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

I found, above, that the goods and services are not similar. In fact, they are in distinct fields, although I accept that all of the contested goods could potentially appear on the applicant's website. The relevant public is likely to overlap, as both the goods and the services are likely to be purchased and used by the general public. The average consumer is likely to pay a medium level of attention in selecting the respective goods and services.

(iii) the strength of the earlier mark's reputation

The evidence shows that the earlier mark has enjoyed a significant market share over a period of years. It had a strong reputation for classified advertising in the UK at the relevant date.

(iv) the degree of the earlier mark's distinctive character, whether inherent or acquired through use

The earlier mark consists of the word "gumtree". It has no connection with the services upon which the applicant may rely and has at least an average level of inherent distinctive character. However, the extensive use which has been shown of the mark will have enhanced the distinctive character of the mark. At the relevant date, the earlier mark was highly distinctive.

(vi) whether there is a likelihood of confusion

There is no likelihood of confusion, whether direct or indirect.

72. Taking all of the above factors into account, I find that the relevant public will make the relevant link between the marks. The high level of distinctiveness of the earlier mark, coupled with its strong reputation and the identity between the marks will result in the earlier mark being called to mind.

Unfair advantage

73. In *Jack Wills Limited v House of Fraser (Stores) Limited* [2014] EWHC 110 (Ch) Arnold J. considered the earlier case law and concluded that:

"80. The arguments in the present case give rise to two questions with regard to taking unfair advantage. The first concerns the relevance of the

defendant's intention. It is clear both from the wording of Article 5(2) of the Directive and Article 9(1)(c) of the Regulation and from the case law of the Court of Justice interpreting these provisions that this aspect of the legislation is directed at a particular form of unfair competition. It is also clear from the case law both of the Court of Justice and of the Court of Appeal that the defendant's conduct is most likely to be regarded as unfair where he intends to benefit from the reputation and goodwill of the trade mark. In my judgment, however, there is nothing in the case law to preclude the court from concluding in an appropriate case that the use of a sign the objective effect of which is to enable the defendant to benefit from the reputation and goodwill of the trade mark amounts to unfair advantage even if it is not proved that the defendant subjectively intended to exploit that reputation and goodwill”.

74. The applicant claims that the relevant public will believe that there is an economic connection between the users of the marks for what it claims are highly similar goods and services, and that the proprietor will free-ride on the reputation of the earlier mark, gaining an unfair benefit or marketing advantage. The applicant also submits that the use of the contested mark “will take unfair advantage of the reputation of the Earlier Mark, in that it enhances the consumers’ readiness to take note of, and trust in, the products marketed under the Registration”,²² and that “[there] is an advantage if the reputation of the first mark could be used as a vehicle for facilitating the sale of the goods and services under the junior mark”, resulting in “some sort of boost” to the later mark.²³

75. I have already explained why I do not accept that the goods and services are similar. Nor do I accept that the consumer merely being reminded of the earlier mark will give the later mark an unfair advantage.

²² Written submissions, §53.

²³ *Idem*, §55.

76. There was a suggestion in the applicant's case that the proprietor deliberately chose the contested mark in order to benefit from the applicant's reputation, although this was not pressed in the applicant's submissions in lieu. I do not consider that a subjective intention to take advantage of the earlier mark has been proven. It is both parties' evidence that "gumtree" has a specific meaning in Australia. Given Mr Maurer's unchallenged evidence that he was living in Australia when he coined the name, along with the divergent nature of the respective specifications, it seems more likely than not that the name was conceived independently, with no ulterior motive.

77. As to the applicant's complaint that the contested mark would benefit from the earlier mark's reputation, and whilst the size of the earlier mark's reputation is not in doubt, the earlier mark has not been shown to enjoy a reputation for advertising (for example) high quality, well-made or durable goods. There is nothing in the evidence to suggest that the nature of the reputation is such that it would create the claimed perception of trust in the proprietor's goods. The applicant's website is merely a vehicle, albeit a very successful one, through which private sellers can advertise their goods and services; there is no evidence that transactions are carried out via the website. As I have already indicated, the evidence does not show that it would be normal for advertisers to expand into the provision of goods themselves, which makes it unlikely that the proprietor would gain a marketing advantage. Bearing all of that in mind, I can see no logical step which would result in any calling to mind being more than fleeting, or in the proprietor gaining a commercial advantage from the use of the contested mark for the contested goods. I reject the claim of unfair advantage.

Dilution

78. In *Environmental Manufacturing LLP v OHIM*, Case C-383/12P, the CJEU stated that:

"34. According to the Court's case-law, proof that the use of the later mark is, or would be, detrimental to the distinctive character of the earlier mark

requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered, consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future (*Intel Corporation*, paragraphs 77 and 81, and also paragraph 6 of the operative part of the judgment)".

It went on:

"42. Admittedly, Regulation No 207/2009 and the Court's case-law do not require evidence to be adduced of actual detriment, but also admit the serious risk of such detriment, allowing the use of logical deductions.

43. None the less, such deductions must not be the result of mere suppositions but, as the General Court itself noted at paragraph 52 of the judgment under appeal, in citing an earlier judgment of the General Court, must be founded on 'an analysis of the probabilities and by taking account of the normal practice in the relevant commercial sector as well as all the other circumstances of the case'.²⁴

79. The applicant states that "the presence on the market of an identical mark will reduce the capacity of the Earlier Trade Mark to arouse an immediate association with the Invalidity Applicant's services and thus dilute its value and reputation".²⁵ It elaborates in its written submissions: "the function of the Earlier Mark as an indicator of origin would be compromised, as its ability to immediately inform the consumer that the products sold under it originate from the Invalidity Applicant would erode".²⁶

80. The first difficulty with the applicant's submission is that the earlier mark does not currently function as an indicator of origin for any goods. There is no evidence whatsoever that the applicant itself offers goods for sale, nor indeed do retail services

²⁴ See also *32Red Plc v WHG (International) Limited and others* [2011] EWHC 665 (Ch) at [133], in which the judge held that a change in consumers' economic behaviour could be inferred from the inherent probabilities of the situation and para. 137 of - *Ziff Management Europe Ltd v Och Capital LLP* [2011] F.S.R. 11 (HC).

²⁵ Statement of grounds, §6(d).

²⁶ §46.

form part of the earlier specification. Considering the respective goods and services, I can see no logical basis for how the use of the contested mark in relation to goods in classes 18, 25 and 28 could lead to a change in the economic behaviour of the consumer of classified advertising services, or even advertising services at large. The examples provided by the applicant, for example that use of the mark on luggage might cause detriment, do not take the matter further. The instant case is also, given the respective goods and services, clearly not on all fours with *Thomas Pink v Victoria's Secret*, cited by the applicant.²⁷ The gap between the goods and the services is, in my view, too wide for there to be an adverse effect on the ability of the earlier mark to signify trade origin. The claim to detriment of the distinctive character of the earlier mark is, therefore, dismissed.

81. In light of the above findings, there is no need for me to consider whether the proprietor's use was with due cause. I decline to do so.

Conclusion

82. The application for invalidation has failed. Subject to appeal, the contested mark will remain registered for all of the goods in its specification.

Costs

83. The proprietor has been successful and is entitled to an award of costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by Tribunal Practice Notice ("TPN") 2/2016. The proprietor's own evidence and submissions were very light, which is reflected in the award below. I award costs to the proprietor on the following basis:

Considering the notice of opposition and
preparing and filing the counterstatement: £200

²⁷ [2014] EWHC 2631 (Ch).

Considering the other party's evidence:	£500
Written submissions:	£300
Total:	£1,000

84. I order Gumtree.com Limited to pay Michel Roger Maurer the sum of **£1,000**. 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 11th day of October 2018

**Heather Harrison
For the Registrar
The Comptroller-General**