

O-255-19

TRADE MARKS ACT 1994

**IN THE MATTER OF INTERNATIONAL REGISTRATION NOS. 1360420, 1369323
AND 1373845 AND THE REQUEST BY COMONO PTY LTD TO PROTECT, IN
THE UK, THE TRADE MARKS**



shortlyster

Shortlyster

AND



IN CLASSES 35 AND 42

**AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS THERETO UNDER
NOS. 411072, 411695 AND 411794 BY SHORTLISTER SOLUTIONS LTD**

BACKGROUND AND PLEADINGS

1) On 30 May 2017, 22 August 2017 and 10 September 2017 respectively, Compono Pty Ltd (“the holder”) applied to protect, in the UK, International Trade Mark numbers 1360420, 1369323 and 1373845 for the following marks:



Shortlyster



2) The International Registrations (“IRs”) were accepted and published in the Trade Marks Journal on 15 September 2017, 17 November 2017 and 1 December 2017, respectively, in respect of the following identical list of services:

Class 35: *Business recruitment consultancy; consultancy relating to personnel recruitment; employment recruitment; executive recruitment services; office support staff recruitment services; permanent staff recruitment; personnel recruitment; personnel recruitment advertising; personnel recruitment agency services; personnel recruitment consultancy; professional recruitment services; recruitment advertising; recruitment of personnel; staff recruitment consultancy services; staff recruitment services.*

Class 42: *Computer security services (design and development of secure computer hardware, software and systems); computer security services (programming and software installation repair and maintenance services); computer software consultancy; computer software design; computer software development; computer software engineering; computer software*

programming services; computer support services (programming and software installation, repair and maintenance services); design of computer software; development of computer software; development of computer software application solutions; development of software; diagnosis of faults in computer software; information technology (it) services (computer hardware, software and peripherals design and technical consultancy); installation and maintenance of computer software; installation of computer software; installation, repair and maintenance of middleware (software); maintenance of computer software; online provision of web-based software (non-downloadable); software creation; software engineering; updating of computer software; upgrading of computer software; writing of computer software.

3) Shortlister Solutions Ltd (hereafter “the opponent”) opposes the IRs. The oppositions are based upon section 5(2)(b), section 5(3) and section 5(4)(a) of the Trade Marks Act 1994 (“the Act”). In respect of the first two grounds, the opponent relies on the following mark:

UK Mark No. 3008224
Shortlister
Filing date: 1 June 2013 Registration date: 30 October 2015
The list of services: Class 38: <i>Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; Interactive communications services relating to human resources, employment and recruitment.</i>

4) The opponent’s mark is an earlier mark within the meaning of section 6(1) of the Trade Marks Act 1994 (“the Act”) because it has a filing date earlier than the filing date of the contested application. This earlier mark completed its registration procedures less than five years before the publication date of the contested IRs and, as a result, it is not subject to the proof of use provisions contained in section 6A of the Act.

5) The opponent's pleadings in respect of these two grounds are as follows:

- Registration (by this, I understand the opponent to be referring to “the UK designation”) of the contested IRs would be contrary to section 5(2)(b) of the Act on the basis that the marks are very similar to its earlier mark, resulting in a strong likelihood of confusion and likelihood of association between them;
- The word element SHORTLYSTER of the IRs is phonetically and conceptually identical and visually almost identical to the earlier mark and this will lead to direct confusion with the IRs being mistaken for the earlier mark;
- Where the holder's marks are combined with a device, the word SHORTLYSTER remains the dominant and distinctive element and, consequently, these marks are very similar to the earlier mark leading to a strong likelihood of confusion;
- The IRs and the earlier mark cover very similar services with all the respective services being related to the recruitment industry with an identical target market;
- Use of the contested marks would offend under section 5(3) of the Act because the opponent's mark has acquired a reputation in its earlier mark as a result of the use on a substantial scale throughout the UK since 2014. As a result:
 - Use of the Holder's mark would enable it to take unfair advantage of the opponent's earlier mark and quickly develop a market by benefitting from its reputation;
 - The device element present in two of the Holder's marks is not likely to reduce this because the opponent also uses an “S device”;
 - Each mark is in respect of identical or very similar services and there is undoubted overlap between the target market;
 - use of the Holder's mark would result in detriment to the earlier mark's distinctive character and reputation where the Holder's services were not of the same high quality as the opponent's services.

6) In respect of the ground based upon section 5(4)(a), the opponent relies upon its “substantial” goodwill, in the UK, identified by the sign “Shortlister” and in respect of the following list of goods and services:

Class 9: Downloadable computer software relating to human resources, employment and recruitment.

Class 16: Printed matter relating to computer software; manuals relating to computer software; instructional and teaching materials relating to computer software.

Class 35: Interviewing services; administration services for the arrangement of interviews; human resource services; human resource management and recruitment services; information, advisory and consultancy services relating thereto.

Class 38: Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; Interactive communications services relating to human resources, employment and recruitment.

Class 41: Non-downloadable software relating to human resources, employment and recruitment; training relating to computer software; provision of information by electronic means including the Internet for educational purposes; provision of educational related non-downloadable information.

Class 42: Software design; software engineering; software creating; software development; software installation; software consulting services; software customisation services.

7) The opponent asserts that due to the substantial goodwill developed over the years, use of the Holder’s marks will result in misrepresentation leading to damage from the likely loss of sales, or damage to the opponent’s reputation if the Holder’s services are inferior to those of the opponent. It further asserts that its claim to such misrepresentation is reinforced by the fact that it uses its sign with a “S” device.

8) The holder filed a counterstatement denying the claims made and the three oppositions were subsequently consolidated.

9) Both parties filed evidence and I will summarise this to the extent that I consider it necessary. A hearing was held before me on 11 April 2019 when the holder was represented by Genevieve Burley of counsel, instructed by Mathys & Squire LLP. The opponent chose not to attend the hearing but did provide written submissions

that I will keep in mind when making my decision. It was represented in these proceedings by Branded!.

Opponent's Evidence

10) The opponent's evidence takes the form of a witness statement by David Dewey, managing director of the opponent. This evidence can be summarised as follows:

- The opponent commenced trading on 7 July 2014 and has always used its mark for its services as well as its other mark SHORTLIST.ME¹;
- The services of the earlier mark reflect only part of the services offered by the opponent²;
- Mr Dewey has devised a software that simulates an interview online giving job applicants the ability to complete interviews at their preferred time and location with the recordings of the applicant's answers being made available to the employer³;
- The opponent has a website featuring the "Shortlister" product at www.shortlister.com and a printout of this website is provided⁴. The date is visible on some of the pages as being 16 July 2018 (the same date as the witness statement was signed). On the site, the product is promoted regularly as "Shortlister";
- The opponent receives "significant exposure for its brand through use by employers" and the opponent maintains relationships with around 65 UK employers including Kraft Heinz, Pitney Bowes, Sky, Yell, Nielsen and Coca Cola⁵;
- At any one time, the opponent has between 500 and 1000 people using its app installed on their mobile device⁶;
- The number of applicants invited to "Shortlister" interviews have risen from just over 9000 in 2014 – 2015 to nearly 23000 in 2016 - 2017⁷;

¹ Mr Dewey's first witness statement, paras 2 and 3

² Ditto, para 4

³ Ditto and Exhibit DD1

⁴ Exhibit DD2

⁵ Ditto, para 6

⁶ ditto

- There is reliance upon the opponent’s company name (that includes “Shortlister” in its name) appearing on its shortlist.me website⁸;
- The opponent’s “Shortlister” product has featured in articles in national and regional press and six samples of these are provided⁹ that report on business activities of “shortlister.com” and dated between December 2013, and March 2016. The opponent’s SHORTLISTER product has also featured in trade press;
- The opponent has raised its profile of its SHORTLISTER mark through sponsorship of the Target Job Awards 2016 where a word and device version of its mark was displayed¹⁰;
- The opponent’s spend on adword marketing is provided¹¹, but it is difficult to glean any meaningful data from the graph provided;
- Sales generated under the SHORTLISTER mark since 2014 has been £350,000 and there has been a rapid increase in revenue including over £67000 in 2016 and over £107000 in 2017¹² (but it is not known what proportion of this relates to before the relevant date);
- The opponent has received a number of industry awards and promotes itself at trade fairs.

Holder’s evidence

12) The Holder’s evidence takes the form of a witness statement by Rebecca Louise Tew, Chartered Trade Mark Attorney with Mathys & Squire LLP, the holder’s representative. This consists of a single page and introduces the following exhibits:

- Exhibit RLT1 consisting of an extract from the Internet archive “Wayback Machine” showing the opponent’s use of a stylised mark (integral with a device). It is not clear from the extract when such use occurred, but Ms Tew states it was an extract of 25 January 2017;

⁷ ditto

⁸ Ditto, para 7 and Exhibit DD3

⁹ Ditto, para 8 and Exhibit DD4

¹⁰ Exhibit DD6

¹¹ Exhibit DD7

¹² Mr Dewey’s witness statement, para 15

- Exhibit RLT2 consists of a copy of an article in *Recruiter* magazine showing a 2016 report on the top video interviewing platforms available in the UK. The top 9 are listed, none of which are the opponent;
- Exhibit RLT3 is an extract from the website *G2 Crowd*, described as a global B2B software and services review platform. It provides an overview of video interviewing providers. It carries a 2018 copyright notice and lists the opponent by reference to both the word “Shortlister” and the word “Shortlister” with a device appearing before the word. It describes the opponent as an “interviewing solution for businesses which hire in volume and/or recruit across large geographic areas” and states that “[e]very month Shortlister interviews 10,000+ applicants across the globe for the likes of Kraft Heinz, Sky, Pitney Bowes and Nielsen”.

Opponent’s evidence-in-reply

13) This takes the form of a second witness statement by Mr Dewey. In response to Ms Tew’s evidence obtained from “Wayback Machine” he states that it is true that the opponent’s SHORTLISTER mark was previously used with a different logo, but a new logo was developed entirely independently between 18 and 20 October 2016 and without reference to the holder’s logo¹³. He points out that the creation of the opponent’s logo took place before the applicant filed its basic Australian application on 12 December 2016.

14) Following criticism from the holder that there was no evidence of the opponent’s claimed relationship with numerous top UK employers, Mr Dewey provides emails from a number of clients, namely, Pitney Bowes, East Midlands Trains, Abellio Greater Anglia, Roche Products Ltd and Wiley confirming that they are customers of Shotylister¹⁴.

15) In response to criticism from the applicant that the opponent provided no evidence to support its assertion that its mark has been subject to “heavy investment”. Mr Dewey provides documents relating to attendance of the

¹³ Mr Dewey’s 2nd witness statement, para 2 and Exhibit DDB1

¹⁴ Ditto, para 4 and Exhibit DDB2

Recruitment Agency Expo in February 2014 and the CIPD Recruitment Exhibition in June 2014¹⁵.

16) Further evidence of promotional spend is provided in the form of copies of two advertorials that appeared in Cambridge Evening News on 23 May 2014 and in Human Resources HR on 1 June 2014¹⁶. Similarly, evidence of the opponent's listing on LinkedIn and Google Adwords is provided, in addition to non-paid-for listing on iTunes and GooglePlay where 5,000 Shortlister app installs have been recorded in the UK¹⁷. This app was branded "Shortlister" up to 11 December 2017¹⁸. Mr Dewey points out that this represents a market share of 7.45%. Further, 85% of its candidate interviewees are UK based and 95% of its revenue is obtained from UK employers¹⁹.

17) Mr Dewey states that the consumer of its Shortlister products are internal recruitment teams within Human Resources departments within large employers. In addition, the consumer also includes individual interviewees who have to download the opponent's app in order to access its interview services²⁰.

DECISION

Section 5(2)(b)

18) Section 5(2)(b) of the Act is as follows:

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

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

¹⁵ Ditto para 5 and Exhibit DDB3

¹⁶ Ditto, para 6 and Exhibit DDB4

¹⁷ Ditto, para 7 and Exhibit DDB5

¹⁸ Ditto, para 10

¹⁹ Ditto, paras 13, 14 and 15

²⁰ Ditto, para 12

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 services

19) In the judgment of the Court of Justice of the European Union (“the CJEU”) in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, 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”.

20) 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 users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) 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.

21) I keep in mind the following guidance of the GC in *Boston Scientific Ltd v OHIM* - T-325/06:

“82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI) [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P Rossi v OHIM [2006] ECR I-7057; Case T-364/05 Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL) [2007] ECR II-757, paragraph 94; and Case T-443/05 El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños) [2007] ECR I-0000, paragraph 48).”

22) Further, 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 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.

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

“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.”

Class 35

24) I begin by considering the similarity of the applicant’s Class 35 services to those of the opponent. For ease of reference, the respective services are:

Opponent’s services	Holder’s services
<p>Class 38: <i>Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; Interactive communications services relating to human resources, employment and recruitment.</i></p>	<p>Class 35: <i>Business recruitment consultancy; consultancy relating to personnel recruitment; employment recruitment; executive recruitment services; office support staff recruitment services; permanent staff recruitment; personnel recruitment; personnel recruitment advertising; personnel recruitment agency services; personnel recruitment consultancy; professional recruitment services; recruitment advertising; recruitment of personnel; staff recruitment consultancy services; staff recruitment services.</i></p>

25) At the hearing, Ms Burley submitted that the services are dissimilar because the opponent Class 38 specification covers telecoms/interactive communication services whereas the holder’s services go directly to the management of businesses.

Therefore, the comparison is between recruitment-type services and infrastructure-

type services. I note and accept that this distinction exists between the respective services and that, as a result, they cannot be identical. However, they may still be “similar” and when considering this, I must give due consideration to the guidance referred to above.

26) The holder’s services can all be characterised as recruitment services and consultancy services related thereto. The opponent’s services include telecommunication delivery services relating to recruitment. As Ms Burley pointed out, they are different in nature because one is a telecommunication service, the other a recruitment service. Consequently, the respective services are different in nature and purpose. However, the distinction becomes blurred when considering trade channels and method of use. The opponent’s telecommunication delivery of recruitment services includes delivery via an app. Further, the recruitment service of the holder may also be accessed via an app and, therefore, they may share the same delivery method. This may lead to the same service provider being responsible for both the app that is used to deliver a service as well as the service itself. Consequently, there may be overlap in both trade channels and methods of use and, further, the provision of the app is a complementary service to the provision of recruitment in the sense expressed in *Boston Scientific*.

27) In summary, the holder’s *employment recruitment; executive recruitment services; office support staff recruitment services; permanent staff recruitment; personnel recruitment; personnel recruitment advertising; personnel recruitment agency services; professional recruitment services; recruitment advertising; recruitment of personnel; staff recruitment services* all share at least a medium degree of similarity to the opponent’s services.

28) In respect of the remaining services, namely *[b]usiness recruitment consultancy; consultancy relating to personnel recruitment; personnel recruitment consultancy; staff recruitment consultancy services*, the opponent submits that they are still all related to the recruitment industry and that employers often reach out to assist them when recruiting new employees. Such services can be delivered via telecommunications and it is possible that a platform for such delivery has been developed alongside with the purpose of delivering a specific service, therefore, the

respective services may share trade channels and be complementary. The wording of the opponent's specification that restricts its telecommunication services to this field lends further support to this. This results in the respective services sharing a medium degree of similarity.

Class 42

29) The respective services are:

Opponent's services	Holder's services
<p>Class 38: <i>Delivery of digital audio and/or video by telecommunications relating to human resources, employment and recruitment; Interactive communications services relating to human resources, employment and recruitment.</i></p>	<p>Class 42: <i>Computer security services (design and development of secure computer hardware, software and systems); computer security services (programming and software installation repair and maintenance services); computer software consultancy; computer software design; computer software development; computer software engineering; computer software programming services; computer support services (programming and software installation, repair and maintenance services); design of computer software; development of computer software; development of computer software application solutions; development of software; diagnosis of faults in computer software; information technology (it) services (computer hardware, software and peripherals design and technical consultancy); installation and maintenance of computer software; installation of computer software; installation, repair and maintenance of middleware (software); maintenance of computer software; online provision of web-based software (non-downloadable); software creation; software engineering; updating of computer software; upgrading of computer software; writing of computer software.</i></p>

30) The holder's services can be categorised as all being computer software development, design, installation and repair. Such services share similarity with the opponent's telecommunication delivery services and interactive communication services because of the close relationship between software services and the ability to provide the communication services. The opponent's services may be delivered using bespoke software for the purpose and as part of the delivery of its services, the consumer may have an expectation that the software they require to access the communication will be designed, installed and, where necessary, repaired by the communications deliverer. Consequently, they may share trade channels and be complementary and I conclude that the holder's services share a medium degree of similarity with the opponent's services.


Comparison of marks

31) It is clear from *Sabel BV v. Puma AG*, Case C-251/95 (particularly paragraph 23), Case C-251/95, that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union ("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.”

32) It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take account of the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

33) I will consider the similarity between the following two marks:

Opponent's mark	Holder's mark
Shortlister	

34) This comparison appears to offer the holder its best case for rebuffing the opposition because the presence and position of the large device in the holder's mark will result in the marks being less similar than when comparing the opponent's mark with either of the other two of the holder's marks.

35) The opponent's mark consists of the word "Shortlister". It is self-evidently the dominant and distinctive element. The holder's mark consists of two elements, the first being the device positioned at the centre top of the mark and the words "short" and "lyster" conjoined. These two elements are distinctive and share roughly equal dominance in the mark.

36) Visually, Ms Burley submitted that the use of the letter "Y" in holder's mark will not go unnoticed and that the presence of the device element and the colour blue present in the mark contribute to the marks not being visually similar. Whilst I acknowledge and take note of these differences, I also note that the same word combination is essentially present in both marks, despite the letter "l" being replaced by a "y" in the holder's mark. I conclude that this results in the respective marks sharing visual similarity somewhere between medium and high.

37) Aurally, the holder's mark is likely to be pronounced only by reference to the "Shortlyster" element of its mark because the consumer is not likely to attempt to place any aural significance to the device element. Therefore, I dismiss Ms Burley's submission that the device element may be pronounced as an "S". Ms Burley suggested that the word element of the applicant's marks would be expressed as SHORT-LIST-ER or even SHORT-LIE-STER. I acknowledge that both of these are

possible but consider that the first is more likely. The first of these is aurally identical to the opponent's mark.

38) Conceptually, the term "shortlister" is likely to be understood as a derivative of the noun "shortlist" meaning "a list of selected candidates from which a final choice is made"²¹. The addition of "er" on the end of the term results in it being understood as describing someone or something that creates a shortlist of candidates. In respect of the holder's mark, the device element conveys no obvious conceptual message. The word element consists of the word "short" and "lyster" conjoined. Whilst the use of a "y" instead of an "l" in the second word is not the normal spelling, it is likely that when it is viewed and/or referred to, it will be perceived as being the word "shortlister". The holder's mark, despite being conjoined, is presented in different colours that serves to highlight the two words as distinct elements. However, I do not see this distinction as having any material effect upon the conceptual identity because the word "shortlister" can also be presented as "short-lister" without impacting upon its meaning and the same is likely to apply with the word element of the holder's mark. Taking all of this into account, I conclude that the respective marks share the same conceptual identity.

Average consumer and the purchasing act

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

40) 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:

²¹ <https://en.oxforddictionaries.com/definition/shortlist>

“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.”

41) Ms Burley submitted that the average consumer of the services at issue are more sophisticated than normal because there are greater consequences of making a wrong choice. It was submitted that this will result in a more careful purchasing act. Certainly, in respect of the business users, the level of care and attention will be elevated because they will be looking for a provider that provides access to candidates that are most suitable to fill its job vacancies. For the individuals who use the services as a mechanism to find a job, the level of care and attention may be greater than when purchasing everyday goods and services, but still not the highest.

42) The purchasing act is likely to be primarily visual in nature, but I do not ignore that aural considerations may be factor where, for example, the parties’ services are recommended via word-of-mouth or where they may be promoted via radio broadcast.

Distinctive character of the earlier trade marks

43) 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)."

44) The opponent's mark consists of the word "Shortlister". Ms Burley submitted that because of descriptive nature of "shortlist", the term "shortlister" is equally descriptive and lacking in distinctive character. Section 72 requires me to proceed on the basis that the earlier mark's registration is prima facie evidence of validity. Such an approach is consistent with the guidance of the CJEU in *Formula One Licensing BV v. OHIM*, C-196/11 P. However, the services of the holder can include the delivery of recruitment which can include the telecommunications delivery of shortlists. In such instances, the mark is highly allusive and, therefore, will be endowed with only a low level of inherent distinctive character.

45) The opponent makes no specific claim to an enhanced level of distinctive character but provides evidence to support a claim that the opponent launched in July 2014. At that time, the number of applicants invited to "Shortlister" interviews was just over 9000 for the year but had risen to nearly 23000 by 2016/17 and has generated £350,000 since 2014. This reasonably modest use suggests that the opponent's mark benefits from only a slightly enhanced level of distinctive character.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion

46) The following principles are gleaned from the decisions of the CJEU 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

47) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). These factors must be assessed from the viewpoint of the average consumer. Confusion can be direct (which occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and goods down to the responsible undertakings being the same or related).

48) I have found that:

- The respective services share at least a medium degree of similarity;

- One of the two equally dominant and distinctive elements of the holder's mark is the word "shortlyster" and, as the opponent's mark consists only of the word "Shortlister", it is self-evidently the dominant and distinctive element;
- The respective marks share a medium to high level of visual similarity and, aurally, the respective marks are identical. In addition, both marks share the same conceptual identity;
- The average consumer includes both businesses seeking assistance in recruiting new employees as well as individuals seeking employment. The former will pay an elevated level of care and attention during the purchasing process and the latter elevated but not to the highest level. The purchasing process is principally visual in nature, but I don't ignore the role aural considerations may have in certain circumstances;
- The opponent's mark is endowed with a slightly enhanced level of distinctive character.

49) Ms Burley submitted that, in light of, what she submitted are noticeable differences between the marks and the descriptive quality of the word "shortlister", there would be no likelihood of confusion. The level of distinctive character of the earlier mark is one factor I must keep in mind, however, as I have already noted at paragraph 43, above, it is not open to me to find that the opponent's mark has no distinctive character. That said, I have already recognised its allusive quality and the impact this has upon its inherent distinctive character. It is a factor in the global assessment that lends some support for a finding of no likelihood of confusion.

50) There are numerous other aspects of the global assessment that point towards a likelihood of confusion such as the medium to high level of visual similarity and the aurally and conceptual identity and also the medium level of similarity of the respective services. These factors outweigh the low level of distinctive character of the earlier mark. There is a spark of originality reproduced in both the opponent's mark and the holder's mark, namely, the addition of the letters "-er" creating the same concept and aural characteristics in both marks. Further, whilst the device element present in the holder's mark may be sufficient that the respective marks would not be likely to be confused for each other ("direct confusion"), it is likely that

the average consumer will still assume that the services provided under the respective marks originate from the same or linked undertaking. The appearance and impact of the letter “y” in the applicant’s mark is insufficient to displace this.

51) Taking account of all of the above, and when factoring in imperfect recollection, I conclude that there is a likelihood of confusion in respect of all of the services covered by the application. I should add that even if I am wrong that the opponent’s modest use of its mark results in some enhanced distinctive character, this would not materially impact upon my findings and I would still conclude that there is a likelihood of confusion.

52) As I commented in paragraph 33, if the holder is unable to rebuff this ground of opposition in respect of this mark, neither will it in respect of its other two marks. I find that the grounds based upon section 5(2)(b) is successful in its entirety, against all three of the holder’s marks.

53) In light of this finding, any finding in respect of the grounds based upon section 5(3) or section 5(4)(a) will not improve the level of success already achieved by the opponent. However, in line with the guidance provided in *Trump International Ltd v DTTM Operations LLC*, [2019] EWHC 769 (Ch), I will comment briefly upon the grounds based upon section 5(3) and section 5(4)(a) of the Act.

Section 5(3) and section 5(4)(a)

54) For a successful opposition to be brought under these grounds the opponent must show that it has the requisite reputation and goodwill. In the current case, the opponent has used its mark for approximately four years prior to the relevant dates in these consolidated oppositions. I have commented that this use resulted in an enhanced level of distinctive character of the opponent’s mark, but not to any material level. The same evidence that led me to that conclusion leads me to conclude that the opponent has the requisite goodwill upon which to base its section 5(4)(a) claim.

55) I recognise that the test for misrepresentation is different to that for likelihood of confusion, namely, that misrepresentation requires “a substantial number of members of the public are deceived” rather than whether the “average consumer are confused”. However, as recognised by Lewinson L.J. in *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, it is doubtful whether the difference between the legal tests will produce different outcomes. Certainly, I believe that this is the case here and I find that members of the public are likely to be misled into purchasing the holder’s services in the belief that they are the opponent’s services. Further, even if I am wrong regarding my assessment of similarity between the respective services when considering the section 5(2)(b) grounds, I note that, for the purposes of section 5(4)(a) there is no requirement for the parties to be in the same field of activity. With this in mind, even if the telecommunication services of the opponent were considered to be in a different field, the fact that they are limited to the delivery of human resources, employment and recruitment leads me to find that this would be sufficient to create the requisite link leading to misrepresentation.

56) I find that the opponent’s grounds, insofar as they are based upon section 5(4)(a), succeed against all three designations.

57) Turning to the question of the reputation required for the purposes of the grounds based upon section 5(3), the use shown is a little over 3 years up to the relevant dates generating a turnover of £350,000 in that time. In addition, the product sold under the mark has received a number of industry awards. For the purposes of this section, the mark must be known by a significant part of that relevant public (*General Motors*, [1999] ETMR 950, Case 252/07, paragraph 26). Mr Dewey states that the opponent has a 7.45% (see Footnote 19) market share in the UK and is known for the app through which it makes its recruitment interview services available to prospective employees of the opponent’s business customers. I find that this presence in the market place is sufficient to demonstrate the requisite reputation in respect of a limited range of services, namely:

Class 38: *Delivery of digital audio and/or video recruitment interviews by telecommunications ~~relating to human resources, employment and~~*

recruitment; Interactive communications services relating to human resources, employment and recruitment interviews.

58) Next, I must consider if the requisite link exists between the marks. The level of similarity between the marks may be less than required under section 5(2)(b) of the Act (see *Intra-Press SAS v OHIM*, joined cases C-581/13P & C-582/13P, paragraph 72). However, the relevant section of the public must still make a connection between the marks. I have found that the higher hurdle of a likelihood of confusion and, therefore, it follows that I find the existence of a link for the purposes of section 5(3).

59) The opponent claims that use of the holder's mark would take unfair advantage of the opponent's mark and develop a market more quickly by benefitting from the reputation of the opponent's mark. 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*, Case C-323/09).

60) In the current case, the level of similarity between the respective marks and the overlap of trade channels and the complementary nature of the respective goods have led me to find that there is a likelihood of confusion. For these same reasons, I find that use of the holder's marks would result in it taking unfair advantage of the repute of the opponent's mark without any due cause. I find that this limb of the opponent's ground succeeds in its entirety against all three of the designations.

61) The opponent also claims that use of the holder's marks will result in detriment to its mark's distinctive character and reputation where the applicant's services were

not of the same high quality. However, the mere potential to create a negative association is insufficient to find in favour of the opponent (see *Unite The Union v The Unite Group Plc*, Case BL O/219/13, paragraph 46). This element of the opponent's claim fails.

Summary

62) The three oppositions succeed on all grounds and the designations are refused.

Costs

63) The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 2 of 2016. I take account that both sides filed evidence and that a hearing was held. I award costs as follows:

Preparing statements and considering counterstatements	£500
Official filing fees	£600
Preparing evidence and considering other side's evidence	£700
Preparation written submissions in lieu of attending hearing	£450
TOTAL	£2250

64) I order Compono Pty Ltd to pay to Shortlister Solutions Ltd the sum of **£2250**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 15th day of May 2019

Mark Bryant

For the Registrar

The Comptroller-General