

O/584/22

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3398910  
BY CHARLES WELLS LIMITED**

**TO REGISTER:**



**AS A SERIES OF 6 TRADE MARKS IN CLASSES 16, 21, 25, 32, 35,  
36, 40, 41 & 43**

**AND**

**IN THE MATTER OF THE OPPOSITION THERETO  
UNDER NO. 418203 BY  
STARWOOD HOTELS & RESORTS WORLDWIDE, LLC**

## BACKGROUND AND PLEADINGS

1. Charles Wells Limited (“the applicant”) applied to register the marks shown on the front cover of this decision as a series of trade marks in the United Kingdom on 13 May 2019. The application was accepted and published on 26 July 2019 in respect of the goods and services that are listed in the Annex to this decision. Throughout this decision, I shall treat these marks collectively, as do the parties, and refer to them in the singular.

2. On 25 October 2019, the application was opposed by Starwood Hotels & Resorts Worldwide, LLC (“the opponent”). The opposition is based on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and concerns the following goods and services:

### Class 32

*Beer, lager, ale and porter; non-alcoholic beverages, namely, non-alcoholic beer, lager, ale and porter.*

### Class 35

*Business management and business assistance, all relating to a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider; accounting services relating to a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider; wholesale services relating to beverages; consultancy, advisory and information services in relation to all the aforesaid; retail services connected with food, drinks.*

### Class 36

*Real estate services; real estate management; leasing and rental of commercial premises; consultancy, advisory and information services in relation to all of the aforesaid; all of the aforesaid services relating to providers of food and/or drinks, bars, public houses and restaurants.*


Class 41




*Entertainment services; training services; conference services; organisation of events for entertainment, cultural and sporting purposes; organisation of competitions; conducting guided tours; consultancy, advisory and information services in relation to all of the aforesaid; all provided by a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider.*

Class 43

*Provision of food and drink; public house services; bar and restaurant services; temporary accommodation; provision of conference facilities; wine bar services, catering services, cafe services; cafeteria services; canteen services; self-service restaurant services; snack bar services; hotel services; room hire; consultancy, advisory and information services in relation to all of the aforesaid.*

3. Under section 5(2)(b), the opponent is relying on the following marks:

Marks	Goods and services relied on
<p>UKTM No. 3155448</p>  <p>Filing date: 17 March 2016 Registration date: 8 July 2016</p>	<p><u>Class 35</u> <i>Retail store services; business services, namely the management and franchise of hotels.</i></p> <p><u>Class 41</u> <i>Entertainment; providing entertainment facilities; club services (entertainment or education); providing karaoke services; discotheque services; providing amusement arcade services; night clubs.</i></p> <p><u>Class 43</u> <i>Temporary accommodation services; restaurant and bar services; hotel and resort services; hotel reservation services.</i></p>

Marks	Goods and services relied on
<p>EUTM No. 957696<sup>1</sup></p>  <p>Filing date: 15 October 1998  Registration date: 28 January 2000  Priority date :15 April 1998<sup>2</sup></p>	<p><u>Class 41</u>  <i>Entertainment services including live entertainment services, casino and gaming services.</i></p> <p><u>Class 43</u></p>
<p>EUTM No.10019602</p>  <p>Filing date: 3 June 2011  Registration date: 1 September 2013</p>	<p><u>Class 35</u>  <i>Business management; business administration; office functions.</i></p>
<p>EUTM No. 9805318</p>  <p>Filing date: 11 March 2011  Registration date: 14 February 2012</p>	<p><u>Class 35</u>  <i>Retail store services in the field of the hotel business, namely providing retail store services within a hotel and by means of electronic media of perfumery, cosmetics, soaps, hair lotions, candles, jewellery, watches, stationary; bags; textile goods; bed covers; clothing, footwear, headgear.</i></p>

<sup>1</sup> Although the UK has left the EU and the transition period has now expired, EUTMs and International Marks which have designated the EU for protection are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019, SI 2019 No. 269, Schedule 5. Further information is provided in Tribunal Practice Notice 2/2020.

<sup>2</sup> Priority claimed from US Trademark No. 75/468340.

Marks	Goods and services relied on
<p>EUTM No. 11635562</p> <p><b>THE W</b></p> <p>Filing date: 7 March 2013 Registration date: 31 July 2013</p>	<p><u>Class 32</u> <i>Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.</i></p> <p><u>Class 39</u> <i>Agency services for arranging travel; services for the arranging of excursions for tourists and for the arranging of tours.</i></p>
<p>EUTM No. 7507601</p> <p><b>W</b></p> <p>Filing date: 8 January 2009 Registration date: 15 February 2011</p>	<p><u>Class 39</u> <i>Travel arrangement; escorting of travellers; information (transportation); transportation information.</i></p> <p><u>Class 43</u> <i>Services for providing food and drink; temporary accommodation; accommodation reservations (temporary -); boarding house bookings; buildings (rental of transportable -); hotel reservations; rental of chairs, tables, table linen, glassware; rental of tents; rental of transportable buildings; reservations (temporary accommodation -).</i></p>

4. The opponent claims that the dominant element of the contested mark is the letter “W”, which conflicts with the earlier marks which also primarily consist of the same letter. The opponent further claims the goods and services are identical or similar, and the marks are highly similar, and so there is a likelihood of confusion on the part of the public.

5. Under section 5(3), the opponent is relying on the UKTM. It claims that this mark has a significant reputation for all the services for which the UKTM is registered. These include *Travel reservation services* in Class 39, as well as all the services relied on

under section 5(2)(b). The opponent contends that consumers may assume there is an economic connection between the two parties or that they have entered into a partnership, commercial venture or licensing arrangement. It further claims that damage will arise in one or more of the following ways:

- Taking unfair advantage of the opponent's mark, including by free riding on the coat tails of an earlier registration which has a reputation. The opponent submits that its mark is recognised by consumers as denoting reliable and trusted services and that the contested mark would unfairly benefit from the earlier mark's power of attraction;
- Detriment to the reputation of the earlier mark; and/or
- Detriment to the distinctive character of the earlier mark. The opponent claims that the loss of exclusivity in its trade mark in the UK would weaken the distinctive character of the mark and the opponent's ability to prevent third party use and registration of marks consisting of, or containing, the dominant element "W".

6. Under section 5(4)(a) the opponent claims to have used the following sign throughout the UK since 14 February 2011 for *Hotel services; hotel reservation services; provision of temporary accommodation; provision of food and beverages; business administration and functions relating to the operation of hotels:*



7. The opponent claims that through the use of this sign it has gained a significant goodwill and reputation in relation to the provision of the services listed above, and that the use of the applicant's mark would be seen as a misrepresentation that the applicant's services are in some way linked to the opponent. As a direct result of this misrepresentation, continues the opponent, damage could occur by the reduction in sales of services bearing the opponent's sign. There could also be damage to the

opponent's reputation if the applicant's services were not of the same high quality as those of the opponent.

8. The applicant filed a defence and counterstatement denying the claims made and putting the opponent to proof of use of all the EUTMs.

## **REPRESENTATION**

9. In these proceedings, the opponent is represented by D Young & Co LLP and the applicant by Freeths LLP.

## **EVIDENCE AND SUBMISSIONS**

10. The opponent's evidence comes from Timothy J Grisius, Vice President of Starwood Hotels & Resorts Worldwide LLC since 23 September 2016. Before that date, he was employed by its parent company, Marriott International, Inc. His witness statement is dated 12 November 2021 and goes to the use that has been made of the earlier marks, their reputation and the goodwill acquired through their use. There is also further evidence from Flora Cook, a trade mark attorney at D Young & Co LLP, the opponent's representative. Her witness statement presents a collection of articles as evidence that various hotels produce their own brands of alcohol and is dated 17 September 2021.

11. The applicant's evidence comes from Michaela Kim Selvester, Managing Associate at Freeths LLP. Her witness statement is dated 25 January 2022 and presents the results of research into the use and registration of the letter W in the UK by third parties and internet print outs showing the numbers of the opponent's W Hotels in the EU and the history and use by the applicant of the name "Wells". The applicant also filed submissions dated 25 January 2022.

12. The opponent filed evidence in reply in the form of a second witness statement from Mr Grisius dated 23 March 2022.

13. Neither side requested a hearing and the applicant and opponent filed written submissions in lieu on 27 April 2022 and 28 April 2022 respectively. This decision has been taken after a careful consideration of the papers.

## **PRELIMINARY ISSUE**

14. In an earlier decision, another Hearing Officer found that the opponent had shown that it had made genuine use of another **THE W** trade mark, that the distinctiveness of the mark had been moderately enhanced in relation to some of the services for which it was registered, that the opponent had shown the mark had a reputation for those services for which use had been found, and that the opponent had a protectable goodwill associated with use of the sign **THE W**.<sup>3</sup>

15. The opponent refers to this decision at several places in its submissions and seeks to rely on the Hearing Officer's findings. There are two points I need to make. First, the relevant periods in the respective proceedings are different. Secondly, having read the earlier decision, it is clear that the other Hearing Officer had before him a more detailed set of evidence than I have had. I have made the findings that follow on the basis of the evidence in the instant proceedings, rather than accepting the conclusions arrived at by another Hearing Officer.

16. There is a further point that needs to be made. On filing its evidence in chief, the opponent had requested that certain exhibits be covered by confidentiality orders on the grounds that they contained sensitive commercial information, namely sales figures, revenue figures, marketing expenditure and public relations details. The Registry's preliminary view was to refuse this request and I held a case management conference ("CMC") on 3 November 2021, at which the opponent was represented by Jeremy Pennant of D Young & Co LLP. The applicant did not attend.

17. It is in the interests of justice that the public can see and understand the reasons why decisions have been made. That said, there are instances in which it is

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<sup>3</sup> BL O-435-19, at Exhibit 20.



appropriate to keep information confidential from the public. Whitford J said in *Diamond Shamrock Technologies SA's Patent* [1987] RPC 91 at [93]:

“It is commonplace with a variety of proceedings ... that the parties to the proceedings want material to be kept confidential. There are matters which they do not want to be disclosed to the public at large. What is said in these letters is that this, that or the other information contained in the declarations or exhibits should be kept confidential because ‘it contains sensitive commercial information’.

I think it is desirable that a more exact indication should be given as to the reasons why in truth the document ought not to be disclosed because it is easy enough to talk about the material being of commercial interest and to talk of it being sensitive. That fact in itself does not necessarily mean that the material, which would otherwise become public property because it was included in the documents which are going to be open to public inspection, is to be excluded from public inspection.”

18. The information that the opponent requested to be treated as confidential is precisely the kind of information described by Whitford J and routinely filed in Registry proceedings without any limits on its disclosure. Indeed, the equivalent figures had been filed in the earlier opposition. Having heard no more exact indications of why the information should be confidential, I upheld the Registry’s preliminary view. The opponent decided to include in the witness statement aggregated figures from two of the exhibits and redact some of the details in another, and withdraw those three exhibits.

## **DECISION**

19. Section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts, although the UK has left the EU.

## Proof of Use

20. The registrations upon which the opponent relies qualify as earlier trade marks under section 6(1) of the Act which reads as follows:

“In this Act an ‘earlier trade mark’ means-

(a) a registered trade mark, international trade mark (UK), European Union trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

...”

21. As the EUTMs completed their registration procedures more than five years before the date of application for the contested mark, they are subject to the provisions of section 6A, which are as follows:

“(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the relevant period 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) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

(a) use of a trade mark includes use in a form (the 'variant form') differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), 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.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

(6) 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."

22. The case law on genuine use was summarised by Arnold J (as he then was) in *Walton International Limited v Verweij Fashion BV* [2018] EWHC 1608 (Ch):

"114. *The law with respect to genuine use.* The CJEU has considered what amounts to 'genuine use' of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundersvereinigung Kamaradschaft*

'Feldmarschall Radetsky' [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816] [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised 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]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* 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]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(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] and [22]. 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]; *Reber* at [29].

(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]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(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] and [76]-[77]; *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].

23. Section 100 of the Act is as follows:

“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.”

24. The relevant period during which genuine use must be shown is the five years ending with the date of application for the contested trade mark: 14 May 2014 to 13 May 2019.

25. In the analysis that follows, I shall treat all the earlier marks except the word mark “THE W” as identical. The lines in EUTM No. 957696 are admittedly thicker than in the earlier marks, but in my view this is a difference that is so insignificant that it is likely to go unnoticed by the average consumer: see *S.A.Société LTJ Diffusion v Sadas Vertbaudet SA*, Case C-291/00, paragraph 54.

### ***The opponent’s evidence***

26. Mr Grisius states that the earlier marks were first used in 1998 in relation to a hotel property in New York and the brand was launched in the EU in 2009 with the opening of the W Barcelona. During the relevant period, the opponent had four hotels in the EU: Barcelona; London (opened 14 February 2011), Paris (opened 28 February 2012

and closed in 2020); and Amsterdam (opened 9 October 2015). 1.6 million rooms were sold at these four hotels between 2013 and 2018.<sup>4</sup>

27. Exhibit 6 contains screenshots from booking.com dated 19 August 2015 and 17 April 2019 showing the range of services available at the London hotel. These are: hotel accommodation, hotel reservations, bar and restaurant services, concierge services, spa and beauty centre, nightclub and DJ, meeting and banquet facilities, business facilities (a business centre), cleaning services (including laundry and dry cleaning), a barber and beauty shop, and gift shop. Mr Grisius states that “*equivalent facilities are available at the W Hotels located in the EU.*”<sup>5</sup> The image below is taken from the later screenshot and shows the London hotel at night, with the W mark illuminated on the outside of the building. Throughout the evidence, the mark appears as the single letter “W”, without the definite article present in EUTM No. 11635562. Exhibit 17 contains a collection of reviews of the London hotel from users of the TripAdvisor website.



28. Resident guests have access to a range of snack foods and alcoholic and non-alcoholic beverages via in-room minibars. The mark is shown on the price list and on the W-branded vodka that is available in the Amsterdam hotel. The first image below

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<sup>4</sup> First witness statement of Timothy J Grisius, paragraph 8.

<sup>5</sup> Paragraph 10.

shows a minibar in the Paris hotel and is taken from a social media post dated 7 February 2016 and the second the branded vodka. This photograph is undated.<sup>6</sup>



29. The W mark also appears on what Mr Grisius describes as a “representative” collection of twenty-four invoices dated from January 2016 to December showing sales at the Amsterdam hotel, with a further two from Barcelona.<sup>7</sup> The goods and services sold include alcoholic beverages, non-alcoholic drinks, snacks, lunch and dinner services, spa treatments and valet parking, as well as accommodation.

30. Mr Grisius states that the opponent has also produced and sold cocktail kits under the W mark through the London hotel and provides photographs in Exhibit 12. However, these are undated and he does not say in his witness statement when these goods were available.

31. The evidence in reply contains examples of menus and flyers for events dating from 2017 to 2019 and all relating to the London hotel. The mark appears in the bottom right-hand corner, as shown in the flyer below:<sup>8</sup>

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<sup>6</sup> Exhibit 9, page 1, and Exhibit 8, page 9.

<sup>7</sup> Exhibit 10.

<sup>8</sup> Exhibits 21 and 22.





32. The W marks have been promoted through social media, namely Facebook, Instagram, YouTube and Twitter. Mr Grisius gives figures for the number of followers, but these reflect the position after the relevant date, in 2020.

33. The evidence also includes selections of news articles. The first of these contains reviews of the Barcelona and Amsterdam hotels and articles referring to parties and events held at the London hotel. The earliest is dated 14 February 2011 and the latest 18 January 2018.<sup>9</sup> The next is shorter, and focuses on plans to open a W hotel in Edinburgh.<sup>10</sup> Finally, Exhibit MK23 contains articles from late 2017 and early 2018 largely focusing on the opening of The Perception bar at W London. The articles are drawn from national and London-focused publications, and the trade press.

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<sup>9</sup> Exhibit 18.  
<sup>10</sup> Exhibit 19.

## ***Analysis and findings***

34. The applicant submits that the opponent has not proved that it has made genuine use of the marks. It draws my attention to the absence of turnover figures and details of amounts spent on advertising or promotion of the marks, and notes that during the relevant period the opponent had only one hotel in Spain, one in the UK, one in the Netherlands and one in France.

35. The courts have not laid down a list of the types of documentation that a registered proprietor must exhibit to prove it has used its mark. Furthermore, I must undertake an assessment of what the evidence shows as a whole: see *New Yorker SHK Jeans GmbH & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-415/09, paragraph 53.

36. All the marks that are subject to the requirement to prove use are EUTMs. The relevant territory in which use must be shown is therefore the EU. In *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the Court of Justice of the European Union (“CJEU”) 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.

...

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 mark.

...

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)."

37. I accept that the opponent had only four hotels in the EU, but these were in major tourist and business centres: London, Amsterdam, Paris and Barcelona. The opponent's customers will have come from a wider range of locations. This is demonstrated by the invoices in Exhibit 10 which show customers with addresses in Slovakia, the UK, the Netherlands and Spain, as well as countries outside the EU such as the US and Canada. In his first witness statement Mr Grisius states that the total marketing budget for the W brand in the EU was \$1,500,000.<sup>11</sup> He does not specify whether this covers the whole of the relevant period, but in his second witness statement explains that the average annual amount spent on marketing the W London hotel was \$315,000.<sup>12</sup> As this would amount to around \$1,500,000 for the whole five-year period, I think it is reasonable to infer that the EU figure is an annual one. The

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<sup>11</sup> Paragraph 17.

<sup>12</sup> Paragraph 4.

opponent also draws my attention to paragraph 25 of Mr Grisius's first witness statement in which he quotes from the earlier decision of this Tribunal, BL O-435-19, in which turnover figures were quoted for the period August 2011 to 11 November 2016. For the reasons I have already stated, this information is of limited assistance to the opponent.

38. The evidence shows that the W mark is used on its own (for example on the outside of the London hotel) and, more commonly, with the location shown below the W mark:



39. In *Colloseum Holdings AG v Levi Strauss & Co*, Case C-12/12, the CJEU held that:

“32. ... 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.

...

35. Nevertheless, ... 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).”

40. The additional matter in the marks above is descriptive: it tells the consumer the service that is being provided (hotels) and its geographical location. I find such use is an acceptable variant.

41. I now come to EUTM 11635562: **THE W**. The mark does not appear to be used in this precise form. In *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22, Phillip Johnson, sitting as the Appointed Person, said:

“14. The courts, and particularly the General Court, have developed certain principles which apply to assess whether a mark is an acceptable variant and the following appear relevant to this case.

15. First, when comparing the alterations between the mark as registered and used it is clear that the alteration or omission of a non-distinctive element does not alter the distinctive character of the mark as a whole: T-146/15 *Hypen v EUIPO*, EU:T:2016:469, [30]. Secondly, where a mark contains words and a figurative element the word element will usually be more distinctive: T-171/17 *M & K v EUIPO*, EU:T:2018:683, [41]. This suggests that changes in figurative elements are usually less likely to change the distinctive character than those related to the word elements.

16. Thirdly, where a trade mark comprises two (or more) distinctive elements (eg a house mark and a sub-brand) it is not sufficient to prove use of only one of those distinctive elements: T-297/20 *Fashioneast v AM.VI. Srl*, EU:T:2021:432, [40] (I note that this case is only persuasive, but I see no reason to disagree with it). Fourthly, the addition of descriptive or suggestive words (or it is suppose figurative elements) is unlikely to change the distinctive character of the mark: compare, T-258/13 *Artkis*, EU:T:2015:207, [27] (ARKTIS registered and use of ARKTIS LINE sufficient) and T-209/09 *Alder*, EU:T:2011:169, [58] (HALDER registered and use of HALDER I, HALDER II etc sufficient) with R 89/2000-1 CAPTAIN (23 April 2001) (CAPTAIN registered and use of CAPTAIN BIRDS EYE insufficient).

17. It is also worth highlighting the recent case of T-615/20 *Mood Media v EUIPO*, EU:T:2022:109 where the General Court was considering whether the use of various marks amounted to the use of the registered mark MOOD MEDIA. It took the view that the omission of the word “MEDIA” would affect

the distinctive character of the mark (see [61 and 62]) because MOOD and MEDIA were in combination weakly distinctive, and the word MOOD alone was less distinctive still.”

41. The element of the mark that is omitted is the definite article (“THE”). The definite article is frequently non-distinctive, but I consider that this is not the case here. The English-speaking consumer would not usually say “THE W”, but rather “W” or “THE LETTER W”. I find that the definite article makes some contribution to the distinctiveness of the earlier mark, and so its omission is a material change that alters the distinctive character of the mark. I find that the opponent has not shown that it has genuinely used EUTM 11635562.

42. Now I must decide for which services genuine use of the remaining marks has been shown.<sup>13</sup> I am guided by the following case law.

43. In *Euro Gida Sanayi ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Geoffrey Hobbs QC, sitting as the Appointed Person, summed up the law as follows:

“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.”<sup>14</sup>

44. In *Property Renaissance t/a Titanic Spa v Stanley Dock Hotel Ltd t/a Titanic Hotel Liverpool & Ors* [2016] EWHC 3103 (Ch), Carr J 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

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<sup>13</sup> I have found that the opponent has not shown genuine use of EUTM 11635562, which is the only one of the earlier marks where goods are relied upon.

<sup>14</sup> Pages 10-11.

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.”

45. I shall deal with the services in order of Class, starting with Class 35. *Business management, Business administration and Office functions* are all services that involve the day-to-day running of a business. There is no evidence that these are services that the opponent offers under the mark.

46. The remaining services in Class 35 are *Retail store services in the field of the hotel business, namely providing retail store services within a hotel and by means of electronic media of perfumery, cosmetics, soaps, hair lotions, candles, jewellery, watches, stationary; bags; textile goods; bed covers; clothing, footwear, headgear*. The 2015 booking.com listing for the W London hotel states that the services provided at the hotel include a gift shop, but there is no indication of the goods that were sold there or the size of the business. I also note that the gift shop has disappeared from the 2019 list of services.<sup>15</sup> Exhibit 15 contains two posts from Instagram dated 2019 and 2018 showing footwear, but it is unclear whether these were for sale at the hotel.<sup>16</sup>

47. Also in connection with the London hotel, there is a Facebook post that publicises a service enabling hotel guests to order items of clothing. The post itself is not dated, but other information on the printout (notably a reference to the opening of the hotel in Amsterdam) leads me to infer that it dates from 2015, and so within the relevant period.<sup>17</sup> Articles elsewhere in the evidence indicate that this is a hire service.<sup>18</sup>

48. Finally, there are two Instagram posts from the Paris hotel, both referring to pop-up stores and dating from 2016 and 2018. The later post shows items of clothing, while the earlier one features glassware, which is not a good that is the subject of retail services covered in the opponent's Class 35 specification.<sup>19</sup> While I acknowledge that there is no *de minimis* level, the evidence is very patchy and in my view does not show that genuine use has been made of the marks in connection with the retail store services. I also note that a "trucker hat" is offered for sale through the minibar, but I do not consider that the average consumer would think that this constitutes a retail store service.

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<sup>15</sup> Exhibit 6, pages 3 and 9.

<sup>16</sup> Pages 26 and 28.

<sup>17</sup> Exhibit 15, page 38.

<sup>18</sup> Exhibit 23, page 112.

<sup>19</sup> Exhibit 15, pages 45 and 48.



49. The Class 39 services still in play are *Travel arrangement; escorting of travellers; information (transportation); transportation information*. Mr Grisius states that the W hotels offer concierge services.<sup>20</sup> This is corroborated by several reviews on the TripAdvisor website during the relevant period which talk about concierge staff in London offering advice and arranging itineraries and transport.<sup>21</sup> I acknowledge that *Concierge services* are proper to Class 45 but also that the explanatory notes to the Nice Classification make clear that this classification is not based on the individual services performed by the concierge, but reflects their nature as personal services. I accept that these services have been offered to the opponent's guests, but that does not necessarily mean that such use is sufficient to create or maintain a market for the services. On the basis of a few TripAdvisor reviews and a statement that concierge services are offered, I find that the opponent has not shown genuine use of the mark for the Class 39 services.

50. The next group of services is *Entertainment services, including live entertainment services, casino and gaming services*. There is no evidence of the opponent supplying *Casino and gaming services*. The range of entertainment services supplied include the following:

- Films, and there is invoice evidence to show that these have been purchased;
- Rental of music recordings;<sup>22</sup>
- Nightclubs; and
- Music performances.<sup>23</sup>

I remind myself that protection should not be cut down just to those services which are shown in the evidence. In my view, the average consumer would describe all these as *Entertainment services* and so a fair specification would be *Entertainment services, including live entertainment*.

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<sup>20</sup> First witness statement, paragraph 10.

<sup>21</sup> Exhibit 17.

<sup>22</sup> Exhibit 14, pages 9-11.

<sup>23</sup> See, for example, Exhibit 15 page 17 and 18.

51. Turning now to the Class 43 services and taking the evidence as a whole, I am satisfied that use has been shown for hotel services and restaurant and bar services within those hotels, along with reservation services and meeting and conference facilities. *Motel* and *motor inn services* refer to specific types of hotels, either aimed at longer-distance travellers near road infrastructure, while the opponent's hotels are all based in major cities. *Resort hotels* are hotels offering a full range of facilities so that guests, if they choose, do not have to leave the premises, and may be destinations in their own right. In my view, the average consumer would expect to find such hotels at locations that are considered to be holiday resorts, for example at the coast. *Provision of information relating to holidays* could, in my view, be covered by the opponent's concierge services but I do not see that the use shown in the evidence is such as to suggest that there has been an attempt to create and preserve a share of the market for such services. The evidence also makes several references to beauty salon services, but I do not see that hairdressing services are provided. I note that Barber services are listed in the booking.com entries, but there are no other references to indicate the scale of the services offered. While bar and restaurant services are clearly provided, I do not find use in relation to café and cafeteria services. These are establishments that generally are not licensed to serve alcohol; they are more informal than restaurants, and serve lighter meals. There is no evidence that these services are provided, although I consider that the broader catering services would be included in a fair specification, on the basis of the restaurants, bars and provision of food for events in the meeting and conference facilities. I find no evidence of use for *Boarding house bookings; buildings (rental of transportable -); Rental of chairs, tables, table linen, glassware; Rental of tents; Rental of transportable buildings*. This leaves services related to *Temporary accommodation*. This term would include services that are not provided by hotels, such as short-term lets of flats or houses, and so would in my view be too broad. An appropriate subcategory would be *Temporary hotel accommodation* and *Reservations (temporary hotel accommodation)*.

#### *Summary of findings regarding genuine use*

52. The opponent can rely upon the earlier marks in respect of the following services:

Mark	Services
EUTM No. 957696	<p data-bbox="678 250 1388 394"><u>Class 41</u> <i>Entertainment services, including live entertainment.</i></p> <p data-bbox="678 470 1388 779"><u>Class 43</u> <i>Hotel services; hotel reservation services; restaurant, bar and catering services; food and beverage preparation services; beauty salon services; provision of conference and meeting facilities.</i></p>
EUTM No. 7507601	<p data-bbox="678 806 1388 1052"><u>Class 43</u> <i>Services for providing food and drink; temporary <u>hotel</u> accommodation; <u>hotel</u> accommodation reservations (temporary -); hotel reservations; reservations (temporary <u>hotel</u> accommodation -).</i></p>

53. The opponent may also rely on all the services for which UKTM No. 3155448 stands registered.

**Section 5(2)(b)**

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

“A trade mark shall not be registered if because –

...

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

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

55. In considering the opposition under this section, I am guided by the following principles, 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 BV* (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their mind, and whose attention varies according to the category of goods or services in question;

c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks and vice versa;

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

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

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

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

### ***Comparison of goods and services***

56. It is settled case law that I must make my comparison of the goods and services on the basis of all relevant factors. These may include the nature of the goods and services, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon*, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. Goods and services are complementary when

“... 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.”<sup>24</sup>

57. The goods and services to be compared are shown in the table below:

Earlier goods/services	Contested goods/services
	<p><u>Class 32</u></p> <p><i>Beer, lager, ale and porter; non-alcoholic beverages, namely, non-alcoholic beer, lager, ale and porter.</i></p>
<p><u>Class 35</u></p> <p><i>Retail store services; business services, namely the management and franchise of hotels. (UKTM no. 3155448)</i></p>	<p><u>Class 35</u></p> <p><i>Business management and business assistance, all relating to a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider; accounting services relating to a provider of food and/or drink, a bar, a restaurant, a public house, or a public house provider; wholesale services relating to beverages; consultancy, advisory and information services in relation to all the aforesaid; retail services connected with food, drinks.</i></p>
	<p><u>Class 36</u></p> <p><i>Real estate services; real estate management; leasing and rental of commercial premises; consultancy, advisory and information services in relation to all of the aforesaid; all of the aforesaid services relating to providers of food and/or drinks, bars, public houses and restaurants.</i></p>

<sup>24</sup> *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82.

Earlier goods/services	Contested goods/services
<p><u>Class 41</u>  Entertainment; providing entertainment facilities; club services (entertainment or education); providing karaoke services; discotheque services; providing amusement arcade services; night clubs. (UKTM No. 3155448)</p> <p>Entertainment services including live entertainment services (EUTM No. 957696)</p>	<p><u>Class 41</u>  Entertainment services; training services; conference services; organisation of events for entertainment, cultural and sporting purposes; organisation of competitions; conducting guided tours; consultancy, advisory and information services in relation to all of the aforesaid; all provided by a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider.</p>
<p><u>Class 43</u>  Temporary accommodation services; restaurant and bar services; hotel and resort services; hotel reservation services. (UKTM No. 3155448)</p> <p>Hotel and resort hotel services; hotel reservation services; restaurant, bar and catering services; food and beverage preparation services; beauty salon services; provision of conference and meeting facilities (EUTM No. 957696)</p> <p>Services for providing food and drink; temporary <u>hotel</u> accommodation; <u>hotel</u> accommodation reservations (temporary -); hotel reservations; reservations (temporary <u>hotel</u> accommodation -) (EUTM No. 7507601)</p>	<p><u>Class 43</u>  Provision of food and drink; public house services; bar and restaurant services; temporary accommodation; provision of conference facilities; wine bar services, catering services, cafe services; cafeteria services; canteen services; self-service restaurant services; snack bar services; hotel services; room hire; consultancy, advisory and information services in relation to all of the aforesaid.</p>

58. The applicant concedes that its goods and services in classes 32, 35, 41 and 43 are identical to the opponent's goods services, but also submitted that the opponent had not proved use for those marks. The opponent's submissions are based on the assumption that use was proved for all goods and services.

#### *Class 32*

59. I found that the opponent could not rely on its Class 32 goods and so I shall compare the applicant's Class 32 goods with the opponent's *Bar services*. In *Group Lottus Corp., SL v OHIM*, Case T-161/07, the GC held that there was a "lesser" (i.e. low) degree of similarity between beers and bar, nightclub and cocktail bar services. I see no reason why the similarity should be any different for the low-alcohol varieties of those drinks and so find that the applicant's goods are similar to a low degree to the opponent's *Bar services*.

#### *Class 35*

60. The applicant had conceded that its Class 35 *Business management and business assistance and accounting services* were identical to the opponent's *Business management; business administration; office functions*, for which I found that no use had been shown. The opponent submits that these services are identical or highly similar to its *Business services, namely the management and franchise of hotels*, which were not subject to proof of use. The applicant submits that these services are dissimilar. Neither party provides detailed reasons for these positions. As *the franchise of hotels* is a specific service where a third party is given a licence to use the franchisor's name, knowledge, and possibly support services, to deliver hotel services, I shall compare the contested services with *Business services, namely the management ... of hotels*. I remind myself that the contested services are limited to those *relating to a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider*. In my view, these services have similar, if not the same, purpose: they are used to help hotels, restaurants, bars and public houses run and develop their businesses and comply with their legal obligations, although I recognise that the users will be slightly different, despite all being in the hospitality industry. Examples of the services provided could include recruitment, human resource



management, bookkeeping and tax filing. The nature of the services is the same, but they are neither complementary nor in competition. I find that they are highly similar.

61. The opponent also submits that the applicant's *Consultancy, advisory and information services in relation to the aforesaid services* (i.e. those I have considered in paragraph 60) are identical or highly similar to its *Business services, namely the management and franchise of hotels*. I consider that there is some similarity in purpose, although, as above, the users will be slightly different. The nature of the service is different, in that the opponent's services would involve actually carrying out the management and operation of the hotels, rather than advising and providing information on business issues relevant to the bar and restaurant industry. There will be a degree of competition, as the consumer may choose whether to obtain advice on how to run the business or employ a third party to do the work for it. I do not consider that the services are complementary. Overall, I find them similar to a medium degree.

62. The applicant submits that *Wholesale services relating to beverages and retail services connected with food, drinks* are dissimilar to the opponent's services while the opponent submits they are identical or highly similar to its *Retail store services*. I consider that the applicant's *retail services* would be included in the opponent's broader term, which in my view could include retail services supplied in both physical and online stores. Goods can be considered as identical when the goods designated by the later mark are included in a more general category designated by the earlier mark, or vice versa: see *Gérard Meric v OHIM*, Case T-133/05, paragraph 29.

63. The applicant's *Wholesale services relating to beverages* is similar in purpose to *Retail store services* as both allow buyers to purchase goods. These buyers will, however, be different. Retail services are used by the end-consumer, while wholesale services are directed towards business customers. There will be some difference in nature of the service, as wholesalers would be less reliant on attractive displays. While some end consumers may use wholesalers, the proportion is unlikely to be large, given that wholesale purchases tend to be made in bulk, requiring greater up-front cost and the need to store the purchases. The services are not complementary. I find that they are similar to a medium degree.

64. The applicant's specification also includes *Consultancy, advisory and information services in relation to* wholesale services. I shall compare these to *Business services, namely the management and franchise of hotels*. The purpose, users and trade channels are all different, although there may be some overlap in the nature of the services. They are neither in competition nor complementary. I find them to be dissimilar. I consider that there is also no similarity between these services and the opponent's *Retail store services*. As section 5(2)(b) requires some similarity between the services, the opposition fails under this ground in relation to these services.

#### *Class 36*

65. The applicant submits that all its Class 36 services are dissimilar to the opponent's goods and services. The opponent submits that they are similar to its *Temporary accommodation services* and *Hotel services* and brings to my attention the decision of the Hearing Officer in BL O/181/22, *VISTA RESIDENCES Trade Mark*. In this decision, the Hearing Officer found that there was a medium degree of similarity between one party's hotel services and another's real estate affairs. She made this finding after considering that both party's services could provide short-term residential accommodation. In the instant case, the applicant's services relate to *providers of food and/or drink, bars, public houses and restaurants*. The users are not, therefore, looking for residential accommodation; instead, they wish to buy, lease or rent commercial premises. The services are not in competition, nor are they complementary, and I do not consider that there would be any shared trade channels. I agree with the applicant that the services are dissimilar. The opposition fails under this ground in relation to the Class 36 services.

#### *Class 41*

66. The applicant concedes that its Class 41 services are identical to the Class 41 services of the opponent's UKTM, which was not subject to proof of use.

### *Class 43*

67. The applicant concedes that its Class 43 services are identical to the Class 43 services of the opponent's UKTM, which was not subject to proof of use.

### ***Average consumer and the purchasing process***

68. In *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors* [2014] EWHC 439 (Ch), Birss J (as he then was) described the average consumer in these terms:

“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 word ‘average’ denotes that the person is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”<sup>25</sup>

69. The average consumer of the applicant's Class 32 goods is an adult member of the general public. I accept that professionals will also purchase the goods, generally in order to serve in their bars or restaurants. However, as they are more likely to pay a greater degree of attention when purchasing the goods they are less likely to be confused. I will therefore focus on the non-trade consumer, who will purchase the goods from a retail outlet such as a supermarket or off-licence for consumption at home, or in licensed premises such as a bar, restaurant or club. The goods are relatively low cost. Where the consumer is buying to drink at home, they will see the mark in the physical shop or on a website, where the mark will be shown on the product or an image of it. Even if goods are stocked behind a counter and the average consumer must ask a sales assistant for them, the bottles or cans would be visible. Consequently, I find the purchasing process will be largely visual, although I do not completely discount the aural element. If the consumer is buying the goods in licensed premises, aural considerations are likely to play a larger role as the customer will order

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<sup>25</sup> Paragraph 60.

by speaking to bar staff. It is possible that the environment might be noisy and marks more easily misheard, but, even then, the consumer is likely to see the mark on bottles, pump clips or a drinks list: see *Anton Riemerschmid Weinbrennerei GmbH & Co. KG v European Union Intellectual Property Office (EUIPO)*, Case T-187/17. In my view, the visual aspect of the mark will still be significant. Wherever they are buying the goods, the average consumer will want to ensure that the beverage they are purchasing is of their preferred type, flavour or strength. I find that they would pay a medium degree of attention.

70. The average consumer of the applicant's Class 41 services is likely also to be a member of the general public. Entertainment services range in price from expensive tickets to high-profile rock concerts to lower cost entry tickets to venues such as night clubs. Whatever the cost, the consumer will be paying sufficient attention to decide whether they are likely to enjoy that particular service. They will, in my view, be paying a medium degree of attention. While they may hear the services advertised on the radio or by word-of-mouth recommendation, they are more likely to see adverts in the street, on television or in printed publications or use the Internet to help them decide. The visual element would therefore carry more weight.

71. Turning now to the Class 43 services, I find that the average consumer will be either a member of the general public or a business purchasing hotel accommodation or catering for its employees and/or clients. There is a similar variation in cost to that which I remarked on in the previous paragraph. The scope of the services under consideration encompasses luxury hotels through to inexpensive hostels; Michelin-starred restaurants through to cheap and cheerful cafeterias. In the case of hotels and other accommodation, the consumer will consider the range of facilities on offer and the location, as well as the price, and will pay at least a medium degree of attention. The same applies, in my view, for restaurants and bars. Consumers will need to know that the establishment serves the types of food and drink that meet any dietary requirements that they have and that they enjoy consuming, and that the ambience suits their personal preference, for instance on noise levels, décor, etc. There will be occasions when a great deal of care is taken in selecting the services, for example for a special meal or holiday, and others where the choice is more spontaneous, made perhaps while walking down the street and passing places to eat. Overall, though, I

consider the level of attention will be at least medium. The consumer will see the marks used on signage in the street, in print directories and advertisements or in online booking services and other websites and social media. On the whole, it is my view that the purchasing process will be largely visual, but as the consumer may receive word-of-mouth recommendations, the aural element of the mark is also likely to be important.

72. The average consumer of the applicant's Class 35 *Retail services connected with food, drink* is a member of the general public, and where the services concern alcoholic drink specifically, this will be an adult member of the general public. The consumer would visit either a physical store or use an online service, and so would see the mark on the signage of the shop or on the website. They may also have been exposed to it through advertising, in print media, on television or online. While the visual element of the mark will therefore play the larger role, I do not discount the aural element, as the consumer may be assisted by a sales assistant. When choosing which service to use, they will consider factors such as the range of products sold, special offers or loyalty schemes, convenience and price. In my view, the average consumer will pay a medium degree of attention.

73. The final group of services are the remaining Class 35 services, which would be purchased by a business consumer in the hospitality industry. Given the importance of these services for the successful operation of their business, I consider that the level of attention paid during the purchasing process will be high. The average consumer is likely to see the marks used on promotional literature or on websites, and so the purchasing process is largely visual, although there may also be a role for aural recommendations.



### ***Comparison of marks***

74. It is clear from *SABEL* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo* that:

“... it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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.”<sup>26</sup>

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

76. The respective marks are shown in the table below. The contested marks are, of course, a series. The only difference between this marks is the colour used. I shall focus my comparison on the first mark in the series, which is in grayscale, and bring in issues of colour where appropriate.

Earlier mark	Contested mark
	

77. The earlier mark consists of a large capital letter W in standard sans serif font. The overall impression of that mark lies in this letter. At this point, I note that a mark registered in black and white covers use of the mark in colour: see *Specsavers International Healthcare Limited & Ors v Asda Stores Limited*, [2014] EWCA Civ 1294 and *J W Spear & Sons Ltd v Zynga, Inc.* [2015] EWCA Civ 290, paragraph 47.

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<sup>26</sup> Paragraph 34.

78. The contested mark consists of a large capital W comprised of triangles in different shades. Below the letter can be found the words “WELLS & CO” in smaller capital letters. The final “O” is raised above a small triangle. Below these words is “EST 1876” with a small triangle separating the letters and the date. In the coloured versions of the mark, this phrase is shown in one of the colours used in the large W. The opponent submits that the dominant and distinctive element of the mark is that capital letter, while the applicant submits that it would be recognised as the first letter of the word “WELLS”. It is my view that because of its size and position, the capital W will make the greatest contribution to the overall impression of the mark; however, the words “WELLS & CO” also play a role, albeit a lesser one. The final line of text makes an even lesser contribution, as the size is so small that it would require some effort for many consumers to read it.

#### *Visual comparison*

79. The opponent submits that the marks are highly similar, while the applicant’s position is that they are similar only to a very low degree. They both share the capital letter “W”, although I note the difference in stylisation and the additional words in the contested mark. The complex colour arrangement of the contested mark would, in my view, not be covered by normal and fair use of a black and white mark in colour. I find that the marks are visually similar to a low to medium degree.

#### *Aural comparison*

80. The applicant submits that the marks are aurally dissimilar as the average consumer would say its mark as “W Wells and Co”. The opponent submits that they marks are aurally highly similar and argues that the consumer may overlook the text below the capital letter and only pronounce the “W”, in which case the marks would be identical. In my view, the consumer would at least articulate the word “WELLS” as the letter “W” would be identified as the initial of that word, which conveys more information than a letter. As “& CO” merely indicates that the mark designates a company, these are less likely to be spoken. If the consumer articulates the contested mark as “W WELLS”, I consider that there is a medium degree of aural similarity between the

marks, but if they say “W WELLS AND CO”, the greater length of the contested mark reduces the level of similarity to low.

### *Conceptual comparison*

81. The average consumer would, in my view, understand the word “WELLS” to refer to the name of the individual who founded the applicant, although it is also a word used in the English language to refer to shafts in the ground which are means of obtaining water or oil. The opponent submits that the presence of the large letter “W” makes the marks conceptually highly similar. It has not explained what meaning it believes the letter has, beyond simply being a letter of the alphabet. In my view, the earlier mark has no conceptual content and so a comparison is not possible.

### ***Distinctive character of the earlier mark***

82. In *Lloyd Schuhfabrik Meyer*, 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 Alternberger* [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).”

83. The applicant submits that:

“... the letter ‘W’ is a common feature in marks in the primary class of relevance, namely class 43. Whilst the state of the Register is not in itself a determining factor, if details of earlier relevant marks is accompanied by evidence of use made of relevant 3<sup>rd</sup> party marks such evidence must have probative value (Beck Keller & Co. 1974). Accordingly, the Applicant’s Trade Mark Attorney, Michaela Selvester, conducted a search of the UKIPO Register using the search function at <https://www.gov.uk/search-for-trademark> which revealed several trade mark registrations comprising of or containing the letter W in class 43. Michaela then conducted additional Internet searches to determine if the marks revealed were in use. There is now attached to these submissions a Witness Statement of Michaela Selvester detailing the UK trade mark registrations found and the use that is being made of those marks in the UK with supporting Exhibits MKS 1 to MKS 24. Due to the number of W marks found which are in use, the Applicant asserts that the Opponent cannot claim exclusivity in the letter ‘W’ per se. For example, there are at least three registered trade marks comprising the letter ‘W’ covering hotel services and provision of accommodation (all in use); and nine registered trade marks comprising or containing the letter ‘W’ covering provision of food and/or drink (again all in use).”<sup>27</sup>

84. The opponent submits that some of these examples are “*so heavily stylised that they would not even be perceived as representing the letter ‘W’*”.<sup>28</sup> It goes on to argue that, regardless of the existence of these marks, the earlier mark enjoys an enhanced distinctive character.

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<sup>27</sup> Submissions of 25 January 2022, paragraph 25.

<sup>28</sup> Paragraph 42.

85. The applicant is correct to say that the state of the Register is not in itself a determining factor: see *Zero Industry Srl v OHIM*, Case T-400/06, paragraph 73. It has therefore provided a series of exhibits that purport to show use of those marks and submits that I should treat such evidence as having probative value, referring to what appears to be a case from 1974, although I note this is not a full case citation. I presume that this is a typographical error and the reference is to *Beck, Koller & Co's Application* (1947) 64 RPC 76, in which the mark "Plyophen" was refused registration because of many other marks beginning with the letters "Plio". This was decided under the 1938 Trade Marks Act, at a time when the Trade Marks Registry was able to refuse marks on relative, as well as absolute, grounds. The law is, of course, different now and I am not convinced that the 1947 case law is directly applicable to the issues I have to decide.

86. I am required to find that the earlier mark has at least some inherent distinctive character: see *Formula One Licensing BV v OHIM*, Case C-196/11 P, paragraphs 41-44. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. There is no evidence that "W" is suggestive or allusive of the services on which the opponent may rely, and I note that there is no stylisation. I find that the mark has an inherent distinctiveness that is somewhere between low and medium.

87. I now consider whether this inherent distinctive character has been enhanced through the use that has been made of it. The territory that is relevant for this assessment is the UK. This is because it is the likelihood of confusion in the UK that is the subject of this ground.

88. The mark appears to have been first used in the UK in 2011, when the London hotel opened. By the relevant date this remained the only hotel in the UK. While there is evidence of plans to open another property in Edinburgh, these had not come to fruition. The opponent's own website states that the London hotel has 192 guestrooms

or suites, although I note that the screenshot containing that information is undated.<sup>29</sup> I have no information on the size of the market for hotel accommodation in the UK, but it is likely that this represents a small share of the total rooms available, but the same could be said of any one hotel.

89. The Facebook account for W London had 26,801 followers on the date the screenshots were obtained (3 March 2020), but it is not clear what the number was on the relevant date (13 May 2019). I accept that it is unlikely that such a following was generated overnight. It is also unclear where the followers are located or how active they are. Posts appear to have had between 2 and 78 likes.<sup>30</sup> The W London Instagram account had 17,700 followers on 3 March 2020.<sup>31</sup> As of 9 September 2021, the W London also had 2,395 reviews on TripAdvisor.<sup>32</sup> The applicant submits that this is not a “*particularly noteworthy*” number.<sup>33</sup> However, I have no other evidence against which to compare this figure.

90. The London hotel has won several awards as shown in the table below:<sup>34</sup>

<b>Year</b>	<b>Magazine/Organisation</b>	<b>Award Won</b>
2011	European Hotel Design Awards	Interior Designer of the Year – Restaurant
2011	Condé Nast Traveller India	Favourite New Overseas Hotel
2011	Hotels	Gold Key Awards
2011	Interior Design	Gold Key – Architectural Design
2011	FX International Interior Design Awards	Hotel of the Year
2011	FX International Interior Design Awards	Lighting Design
2012	Elite Traveler	Top Suites in London
2012	Harper’s Bazaar	Best New Scene
2012	Sleeper	Interior Design of the Year
2014	Celebrated Living (Reader’s Choice)	Readers Choice: Top 10 International Business Hotels

<sup>29</sup> Exhibit MKS 25, page 5.

<sup>30</sup> Exhibit 15, pages 15-24.

<sup>31</sup> Exhibit 15, page 25.

<sup>32</sup> Exhibit 17.

<sup>33</sup> Submissions of the applicant, paragraph 43.19.

<sup>34</sup> Exhibit 16.

Year	Magazine/Organisation	Award Won
2014	Elite Traveler (editorial)	Top 101 Suites of 2014

91. As will be seen, the majority date from 2011 and 2012, around or shortly after the time of the opening of the hotel. There is no evidence of awards after 2014.

92. In his second witness statement, Mr Grisius states that the total average annual marketing budget for the W London Hotel is \$315,000.<sup>35</sup> There are no examples of advertising, but Exhibit 14 contains a snapshot of PR activity for 2015, with a series of events and campaigns throughout the year which generated press coverage in, for example, MailOnline, *Metro*, *The Daily Telegraph*, *Vogue*, *Grazia* and *The London Evening Standard*.

93. Exhibit 18 contains a collection of articles mentioning the opponent's hotels appearing in publications such as *Harpers Bazaar*, *London Evening Standard* and *The Independent* and the *Daily Mail* website. Many of these articles refer to parties attended by celebrities, for example after the BAFTA Awards Ceremony or film screenings. The earliest article is dated 14 February 2011 and the latest 16 January 2018. Similarly, a good deal of the media coverage in Exhibit 23 deals with the launch of The Perception bar in October 2017, although there are later articles, including in regional press, highlighting the W London as a place to stay when visiting the capital. Other articles from 2017 and 2018 from websites such as squaremeal.co.uk, londonbulletin.co.uk, absolutely.london and thehandbook.com feature the restaurant and catering services offered by the hotel.<sup>36</sup>

94. Taking the evidence as a whole, I consider that the distinctive characters of the earlier marks have been enhanced slightly in relation to the following services: *Hotel services; restaurant and bar services*.

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<sup>35</sup> Paragraph 4.

<sup>36</sup> Exhibit 23.

### ***Conclusions on likelihood of confusion***

95. There is no scientific formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where a number of factors need to be borne in mind. I must also take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods or services or vice versa. I keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them they have in their mind.

96. There are two types of confusion: direct and indirect. In *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, Iain Purvis QC, sitting as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.’

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark

at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('26 RED TESCO' would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)."

97. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

"This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition."<sup>37</sup>

98. He also said:

"As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] 'a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."<sup>38</sup>

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<sup>37</sup> Paragraph 12.

<sup>38</sup> Paragraph 13.

99. First, I shall consider whether there is a likelihood of direct confusion. While I found that large letter “W” would make the greatest contribution to the overall impression of the contested mark, I also found that the word “WELLS” would play a role. In my view, the average consumer would associate the letter with this word. In addition, I must bear in mind that the average consumer generally perceives a mark as a whole. While I appreciate that the average consumer might recollect either mark imperfectly, I consider that the differences between them are such as to make it unlikely that, even there the goods and services are identical, there will be direct confusion, which, as Mr Purvis stated, involves the consumer mistaking one for the other.

100. Turning to indirect confusion, I see no reason why the average consumer would assume that the marks belong to the same or connected undertakings. The earlier marks are not so highly distinctive that it is plausible that only one undertaking would be using them, even taking into account the slight enhancement of that distinctiveness. I would make the same finding in the absence of the applicant’s evidence. Furthermore, the average consumer would identify the differences in stylisation of the letter “W” in each of the marks. I find there is no likelihood of indirect confusion.

101. The opposition under section 5(2)(b) fails.

### **Section 5(3)**

102. Section 5(3) of the Act is as follows:

“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 (EU) 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.”

103. The relevant case law can be found in the following judgments of the CJEU: *General Motors Corp v Yplon SA* (Case C-375/97), *Intel Corporation Inc v CPM United Kingdom Ltd* (Case C-252/07), *Adidas Salomon AG v Fitnessworld Trading Ltd* (Case C-408/01), *L’Oréal SA & Ors v Bellure & Ors* (Case C-487/07) and *Interflora Inc & Anor v Marks and Spencer plc & Anor* (Case C-323/09). 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 Salomon*, 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 and/or services, the extent of the overlap between the relevant consumers for those goods and/or 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 that 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 and/or 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 and/or services for which the earlier mark is registered, or a serious risk that this will happen in the 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 on the earlier mark; *L'Oréal*, 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; *Interflora*, paragraph 74, and the court's answer to question 1 in *L'Oréal*.

## **Reputation**

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

“24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on

the product or services marketed, either the public at large or a more specialised public, for example traders in a specific sector.

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."

105. The opponent cites the comment of Arnold J (as he then was) in *Och-Ziff Management Europe Ltd & Anor v Och Capital LLP & Ors* [2010] EWHC 2599 (Ch) that the requirement for the mark to have a reputation is "*not a particularly onerous*" one.<sup>39</sup> It bases its claim to a reputation on the evidence I have already considered when assessing whether the opponent had shown it had used its earlier marks and that their distinctive character had been enhanced through that use. Despite the shortcomings of the evidence in terms of sales data, I am persuaded that the UKTM had acquired a modest reputation for *Restaurant and bar services* and *Hotel ... services*.

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<sup>39</sup> Paragraph 126.

## **Link**

106. In assessing whether the public will make the required mental link between the marks, I must take account of all relevant factors, which were identified by the CJEU in *Intel* at paragraph 42 of its judgment. I shall consider each of them in turn.

### *The degree of similarity between the conflicting marks*

I found that the marks were visually similar to a low to medium degree and aurally similar to a low or medium degree.

### *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*

- The Class 32 goods are similar to *bar services* to a low degree. At this point I refer to the evidence of *Flora Cook*, which indicates that a number of hotels produce their own alcohol brands. Exhibit FC1 shows thirteen hotels, only one of which is in the UK. I am far from persuaded that the average consumer would consider there to be much closeness between *Hotel services* and the applicant's Class 32 goods.
- The applicant's Class 35 services are business services that would be provided to, among others, a restaurant or bar. The users, purpose, method of use, nature of service and trade channels are different and they are neither complementary nor in competition. They are dissimilar to the services in respect of which the UKTM has a reputation.
- Similarly, the applicant's Class 36 services are real estate services provided to, among others, a restaurant or bar. They are also dissimilar.
- The applicant's Class 41 services may share trade channels with the opponent's *Hotel services* and have the same users. Their purpose, method of use and nature are different. I find that they are similar to at most a low degree.
- The applicant accepted that its Class 43 services are identical to the opponent's Class 43 services.

*The strength of the earlier mark's reputation*

The UKTM has a modest reputation.

*The degree of the earlier mark's distinctive character, whether inherent or acquired through use*

The UKTM has a low to medium degree of inherent distinctive character, which has been slightly enhanced through use.

*Whether there is a likelihood of confusion*

I found that there was no likelihood of confusion, but I acknowledge that this is not necessary for the finding of a link.

107. The opponent submits that the contested mark would bring the earlier mark to the mind of the relevant public. Taking all the factors into account, I find that the use of a capital "W" in the contested mark is not likely to bring to mind the earlier mark, even for identical services, in a manner that is more than fleeting, with insufficient strength to cause customers of either the opponent or the applicant to alter their economic behaviour, either by avoiding the opponent's services or choosing to buy the applicant's, where they would not otherwise have done so.

108. The section 5(3) ground fails.

**Section 5(4)(a)**

109. Section 5(4)(a) of the Act states that:

"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 or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection 4(A) is met

..."

110. Subsection 4(A) is as follows:

“The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

111. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the “classical trinity” that must be proved in order to reach a finding of passing off:

“First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”<sup>40</sup>

112. *Halsbury’s Laws of England* Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

“Establishing a likelihood of deception generally requires the presence of two factual elements:

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<sup>40</sup> Page 406.

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

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

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

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

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

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

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

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

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

### **Relevant Date**

113. In *Advanced Perimeter Systems v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, sitting as the Appointed Person, quoted with approval the summary made by Mr Allan James, acting for the Registrar, in *SWORDERS Trade Mark*, BL O/212/06:

“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.”<sup>41</sup>

114. The applicant has not filed any evidence to show that it has used the contested mark before the date of application, and so this is the relevant date.

### **Goodwill**

115. The opponent must show that it had goodwill in a business at the relevant date of 13 May 2019 and that the sign relied upon is associated with, or distinctive of, that business. The sign is depicted below and the opponent claims to have used it in the UK since February 2011 for *Hotel services; hotel reservation services; provision of temporary accommodation; provision of food and beverages; business administration and functions relating to the operation of hotels.*



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<sup>41</sup> Quoted in paragraph 43 of BL O-410-11.

116. The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages 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. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

117. I shall not repeat the analysis I have made of the opponent's evidence of use and reputation of the earlier marks, most of which are identical to the sign. I am satisfied that the opponent has protectable goodwill in relation to *Hotel services; hotel reservation services; provision of temporary hotel accommodation; provision of food and beverages*. Goodwill requires custom, and I see no evidence that the opponent has customers for *Business administration and functions relating to the operation of hotels*. I therefore find no goodwill in relation to these services. The evidence also shows that the sign is distinctive of the goodwill that the opponent has acquired.

### **Misrepresentation**

118. The relevant test was set out by Morritt LJ in *Neutrogena Corporation & Anor v Golden Limited & Anor* [1996] RPC 473 at [493]:

“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] RPC 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 4<sup>th</sup> 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 RPC 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 RPC 97 at page 101."

119. Although the test for misrepresentation is different from that for likelihood of confusion in that it entails "deception of a substantial number of members of the public" rather than "confusion of the average consumer", it is unlikely, in the light of the Court of Appeal's decision in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, that the difference between the legal tests will produce different outcomes. I believe that to be the case here. The mark and sign – when considered as wholes – are in my view sufficiently far apart for the public not to be deceived. It is the opponent's customers that must be deceived: see *Neutrogena*, [493]. The applicant's mark would not lead these customers to assume a trade connection.

120. The section 5(4)(a) ground fails.

## **OUTCOME**

121. The partial opposition has failed and TM application no. 3398910 will proceed to registration for all the goods and services that were applied for.

## **COSTS**

122. The applicant has been successful and is entitled to a contribution towards its costs based upon the scale set out in Tribunal Practice Notice (TPN) 2/2016. In the circumstances, I award the applicant the sum of £1600, which is calculated as follows:

*Preparing a statement and considering the other side's statement: £300*

*Preparing evidence and considering and commenting on*

*the other side's evidence: £1000*

*Preparing written submissions in lieu: £300*

***TOTAL: £1600***

123. I therefore order Starwood Hotels & Resorts Worldwide, LLC to pay Charles Wells Limited the sum of £1600, which should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

**Dated this 8<sup>th</sup> day of July 2022**

**Clare Boucher**

**For the Registrar,**

**Comptroller-General**

## **Annex**

### **The Applicant's Specification**

#### Class 16

*Printed matter; printed publications; calendars; diaries, posters; stationery; pens; pencils; beer mats; coasters; books, magazines, newsletters, leaflets and brochures, notebooks, address books, albums, note cards, greeting cards, post cards, mounted and/or unmounted photographs, book marks, paper party decorations, paper napkins, organisers.*

#### Class 21

*Glasses; tankards; beer mats; coasters; bottles; bottle openers; cork screws; wine coolers, bottle coolers, beverage can coolers.*

#### Class 25

*Clothing; footwear; headgear; all of the aforesaid for use in connection with brand merchandise, excluding underwear, lingerie, hosiery (stockings, socks and tights), slippers and leggings.*

#### Class 32

*Beer, lager, ale and porter; non-alcoholic beverages, namely non-alcoholic beer, lager, ale and porter.*

#### Class 35

*Business management and business assistance all relating to a brewery, a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider; accounting services relating to a brewery, a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider; wholesale services relating to beverages; consultancy, advisory and information services in relation to all of the aforesaid; retail services connected with food, drinks, printed matter, printed publications, calendars, diaries, posters, stationery, pens, pencils, beer mats, coasters, books, magazines, newsletters, leaflets and brochures, notebooks, address*

*books, albums, note cards, greeting cards, post cards, mounted and/or unmounted photographs, book marks, paper party decorations, paper napkins, organisers, cups, mugs, glasses, tankards, bottles, bottle openers, cork screws, wine coolers, bottle coolers, beverage can coolers, clothing, footwear, headgear; not including advertising or promotional services.*

#### Class 36

*Real estate services; real estate management; leasing and rental of commercial premises; consultancy, advisory and information services in relation to all of the aforesaid; all of the aforesaid services relating to breweries, providers of food and/or drinks, bars, public houses and restaurants.*

#### Class 40

*Brewing services; brewing of beer; consultancy, advisory and information services in relation to all of the aforesaid.*

#### Class 41

*Entertainment services; training services; conference services; organisation of events for entertainment, cultural and sporting purposes; organisation of competitions; conducting guided tours; consultancy, advisory and information services in relation to all of the aforesaid; all provided by a brewery, a provider of food and/or drink, a bar, a restaurant, a public house or a public house provider and none of the aforesaid services relating to banking, credit, business banking, insurance, mortgage banking, mortgage lending, commercial lending, online banking, financial matters, online financial matters, money management, investing and investments.*

#### Class 43

*Provision of food and drink; public house services; bar and restaurant services; temporary accommodation; provision of conference facilities; wine bar services, catering services, cafe services; cafeteria services; canteen services; self-service restaurant services; snack bar services; hotel services; room hire; consultancy, advisory and information services in relation to all of the aforesaid.*