#### **TRADE MARKS ACT 1994**

# IN THE MATTER OF TRADE MARK APPLICATION NO. 3335042 IN THE NAME OF GENIUS BRANDS INTERNATIONAL, INC

#### AND IN OPPOSITION NO. 415053 THERETO BY THE GUIDE ASSOCIATION

#### DECISION

#### **Introduction**

1. This is an appeal against the decision of Mr Mark Bryant, acting on behalf of the Registrar, dated 27 July 2021 (O-561-21). In his decision the Hearing Officer upheld the objection under section 5(2)(b) of the Trade Marks Act 1994 ("the 1994 Act") in respect of the majority of the goods and services the subject of the application in suit. The Hearing Officer also noted the objection under section 5(3) of the 1994 Act but having taken the view that the ground did not take improve the level of success under section 5(2)(b) did not consider the matter further. Finally, the Hearing Officer ordered Genius Brand International, Inc ("the Applicant") to pay The Guide Association ("the Opponent") £2,200 by way of a contribution towards its costs.

#### **Background**

- 2. On 30 August 2018 the Applicant applied to register the trade mark no. 3335042 in respect of the mark RAINBOW RANGERS with respect to various goods and services in classes 3, 9, 12, 14, 16, 18, 21, 24, 25, 26, 27, 28, 30, 35 and 41 ("*the Application*").
- 3. The Opponent partially opposed the application on the grounds of section 5(2)(b) and 5(3) of the 1994 Act. For those purposes the Opponent relied upon 3 earlier UK trade marks:
  - (1) UK Trade Mark No. 2033809 for a series of marks:

RAINBOWS RAINBOW Rainbows Rainbow

Registered in respect of a number of different goods in classes 16, 18, 21, 25, 26 and 28.

The mark was filed on 14 September 1995; and registered on 13 December 1996.

(2) UK Trade Mark No. 3035367 for a series of marks:

RAINBOWS RAINBOW Rainbows Rainbow

Registered in respect of a number of different goods and services in classes 9, 20, 24, 30, 35, 38 and 41.

The mark was filed on 17 December 2013; and registered on 10 October 2014.

(3) UK Trade Mark No. 3218832 for a series of marks:

RANGERS Rangers RANGER Ranger

Registered in respect of a number of different good and services in Classes 9, 14, 16, 18, 20, 21, 24, 25, 26, 28, 30, 35, 38 and 41.

- 4. The Opponent maintained that the Application should be refused under section 5(2)(b) of the 1994 Act on the basis that the respective goods and services are either identical or highly similar and that the Applicant's mark is highly similar to UK Trade Mark Nos. 2033809 and 3035367 (together "*the Rainbow marks*"). The high similarity is asserted on the basis that all the marks include the identical word RAINBOW at the beginning of the marks, to which the average consumer generally pays more attention. Therefore, the Opponent maintained, there was a likelihood of confusion.
- 5. In the alternative it was asserted that the Applicant's mark is similar to UK Trade Mark No. 3218832 ("*the Rangers mark*") on the basis that the mark is wholly contained in the Applicant's marks and that the respective goods and services are identical or at least highly similar such that there was a likelihood of confusion.
- 6. The Opponent also relied upon UK Trade Mark No. 3035367 for its ground of opposition under section 5(3) of the 1994 Act. For those purposes a reputation was claimed in respect of the following services:

Class 41: Organisation of group activities in the education, cultural, training and entertainment fields; arranging and conducting educational and recreational conferences; provision of courses of instruction and training in camping, sports, homemaking, wood-craft; providing courses of instruction in self-awareness; organising of competitions, sporting events and displays; provision of club recreation and sporting facilities; education and training services in relation to a healthy lifestyle.

- 7. The Opponent maintained that as a result of the similarities between the marks the relevant public would believe that the Opponent and Applicant were the same or linked. It further maintained that the use of the Application would be such as to take unfair advantage of and detrimental to the Opponent's mark and lead to the loss of membership subscriptions and donations.
- 8. The Applicant filed a counterstatement denying all claims. In addition, it (1) put the Opponent to proof of use of UK Trade Mark No. 2033809 in respect of all the goods and services relied upon; and (2) asserted that the Opponent had failed to particularise which of the respective goods and services were said to be identical or highly similar.
- 9. Both parties filed evidence.
- A hearing took place on 8 June 2021. At the hearing Ms Victoria Jones instructed by Wither and Rogers LLP appeared on behalf of the Applicant and Mr Jamie Muir Wood instructed by Bate Wells & Braithwaite London LLP appeared on behalf of the Opponent.

#### The Decision

- 11. The Hearing Officer first considered proof of use of UK Registration No. 2033809. Having set out the approach to the required assessment at paragraphs [12] to [15] of the Decision and having assessed the evidence that was before him at paragraphs [17] to [19] the Hearing Officer concluded that proof of use had been established in relation to the following goods:
  - (1) Class 16: Greeting cards, books, stationery, pens, pencils, instructional and teaching materials (paragraph [22] of the Decision).
  - (2) Class 18: Shoulder bags; rucksacks; daysacks (paragraph [23] of the Decision).
  - (3) Class 21: Household, kitchen or camping drinking containers; mugs; cups (paragraph [24] of the Decision).
  - (4) Class 25: Articles of casual clothing, leggings, caps, polo shirts, hooded jackets, cycling shorts, jog pants, tabards, aprons; all the aforesaid being for girls (paragraph [25] of the Decision).
  - (5) Class 26: Ribbons (paragraph [26] of the Decision).
  - (6) Class 28: Soft toys; dolls; resin miniatures of animals in uniform (paragraph [27] of the Decision).
- 12. The Hearing Officer then turned to consider the section 5(2)(b) objection. He began by considering the comparison of goods and services in issue. Having set out the

relevant case law at paragraphs [30] to [34] as to the approach that he had to take he went on to analyse the respective specifications in paragraphs [35] to [124] of the Decision and found with respect to the:

- (1) Rainbow marks identity/similarity between most of the goods and services in Classes 9, 14, 16, 18, 21, 24, 25, 26, 28, 35 and 41. The Hearing Officer also found that a limited number of goods and services were dissimilar as identified in paragraph [142] of the Decision; and
- (2) Rangers mark found identity/similarity between the goods and services in Classes 9, 14, 16, 18, 21, 24, 25, 26, 28 and 30. Again, the Hearing Officer also found that a limited number of goods and services were dissimilar as identified in paragraph [151] of the Decision.
- 13. The Applicant does not challenge any of the findings made by the Hearing Officer with respect his assessment of the similarity of the goods and services in issue.
- 14. The Hearing Officer then turned to his comparison of the marks. He began by identifying the applicable legal principles at paragraphs [124] to [125] before applying those principles to the marks in issue as follows (footnotes omitted and emphasis added):

Earlier marks	Contested Mark
RAINBOWS	
RAINBOW	
Rainbows	
Rainbow	
(series of 4 marks)	RAINBOW RANGERS
RANGERS	
RANGER	
Rangers	
Ranger	
(Series of 4 marks)	

126. The respective marks are shown below:

127. All of the opponent's marks consists of a single word either in the singular or pleural. Therefore, this is the dominant and distinctive element of all of its marks. The applicant's mark consists of the two words RAINBOW RANGERS. Ms Jones submitted that neither RAINBOW or RANGERS plays an independent distinctive role changing the mark from nouns to a name. I agree that the first word qualifies the second and consequently the two words form a unit and the distinctive character resides in the combination of the words with no one word dominating.

128. Visually, the fact that the applicant's mark has been applied for in upper case is not significant because it is well established that the rights conferred upon a registration for a word mark in plain text will include both upper and lower case use and where there is a capitalised first letter. With this in mind, the first word of the applicant's mark is identical to the RAINBOW/Rainbow marks and highly similar to the opponent's RAINBOWS/Rainbows marks. The word RANGERS is absent in the opponent's first series of marks. Taking all of this into account, **I conclude that the applicant's** mark shares a medium level of similarity to all of the opponent's RAINBOW/Rainbow series of marks.

129. In respect of the similarity with the opponent's series of RANGER(S)/Ranger(s) marks, they share similarity because this word appears as the second word of the applicant's mark. The applicant's mark begins with the word RAINBOW that is absent in the opponent's marks. I conclude that these also share a medium level of similarity.

130. Aurally, the applicant's mark is likely to be expressed as the four syllables RAIN-BOW-RANGE-ERS whereas the opponent's earlier marks variously consist of the following two syllables RAIN-BOW, RAIN-BOWS, RANGE-ER or RANGE-ERS. Consequently, half of the applicant's mark coincides aurally with all of the opponent's marks and **I conclude they share a medium level of aural similarity**.

131. Conceptually, the word RAINBOW will be readily understood as "[a]n arch of colours visible in the sky, caused by the refraction and dispersion of the sun's light by rain or other water droplets in the atmosphere". Consequently, the opponent's RAINBOW/RAINBOWS marks will be understood as having this meaning or its pleural. The word RANGER is readily understood as "[a] keeper of a park, forest, or area of countryside" or "A person or thing that wanders over a particular area" and the opponent's RANGER/RANGERS marks will be understood as referring to one or more "rangers". The applicant's mark consists of the two words RAINBOW and RANGERS and consequently the word RAINBOW acts as an adverb modifying the meaning of RANGERS so that the mark, as a whole, will be perceived as describing rangers that are in some way associated with rainbows. Taking all of the above into account, I conclude that the applicant's mark shares a medium level of conceptual similarity to both the opponent's RAINBOW/RAINBOWS marks and its **RANGER/RANGERS** marks.

- 15. The Hearing Officer then went on to consider the identity of the average consumer and the purchasing act. Given the wide range of goods and services specified the Hearing Officer considered that there would be a range of different average consumers from businesses to the general public. He also considered that the degree of attention paid by the average consumer would vary from very low to very high. As to the purchasing process the Hearing Officer was of the view that it would be predominantly visual in nature but that aural consideration could also be relevant which he would take into account. See paragraphs [132] to [135] of the Decision.
- 16. The findings as to the average consumer are not challenged on this appeal.
- 17. The Hearing Officer next turned to the question of the distinctive character of the earlier marks relied upon and found that:
  - (1) The marks RAINBOW or RAINBOWS were endowed with a low to medium level of inherent distinctive character (paragraph [137] of the Decision).
  - (2) The mark RANGER/RANGERS were endowed with a low to medium level of inherent distinctive character (paragraph [137] of the Decision).
  - (3) The RAINBOW/RAINBOWS marks benefited from a reasonable level of enhanced distinctive character with respect to the Opponent's cores services of 'organisation of group activities in the education, cultural, training and entertainment fields, all relating to activities for girls' (paragraph [138] of the Decision).
  - (4) Insufficient evidence had been filed to support any claim to enhanced distinctive character with respect to the RANGER/RANGERS marks (paragraph [139] of the Decision).
- 18. On the basis of the above findings (which were summarised at paragraphs [141] for the Rainbows marks and [150] for the Rangers mark) the Hearing Officer considered the global assessment of the likelihood of confusion. He first set out the relevant legal approach before turning to consider the case put forward in relation to the Rainbow marks followed by the Rangers mark.
- 19. So far as the Rainbow marks were concerned the Hearing Officer concluded that in so far as he had found that the respective goods or services were not similar there could be no finding of a likelihood of confusion (paragraph [142] of the Decision). He likewise found that in so far as he had found that the respective goods or services were at best similar to only a very low degree that the section 5(2)(b) ground failed (paragraph [149] of the Decision).
- 20. As to the remaining goods and service the Hearing Officer held as follows (footnote excluded):

143. A number of the opponent's specifications have a limitation, the wording of which varies slightly but effectively states that all the goods/services relate to The Guide Association. Mr Jones submitted that even where I have found goods and services to be identical or similar, there can be no likelihood of confusion given that the applicant's mark will never be used in relation to or for the promotion of The Guide Association. Mr Muir Wood submitted that there is nothing in the applicant's specifications to limit away from goods and services that promote The Girl Guides. I agree with Mr Muir Wood. The issue is not how the applicant intends to use its mark but, rather, if there is commonality of scope of the respective goods and services. This is because the applicant's may be sold in the future to a party with different intentions in how the mark is used or, the applicant itself may change its marketing strategy in the future.

144. Mr Muir Wood submitted that the level of similarity between the respective marks and goods and services is such to result in indirect confusion. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., 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 recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

145. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

146. The consumer is highly likely to recognise that the applicant's mark is not any of the opponent's marks even where imperfect recollection is a factor, however, it will also be difficult to miss that the first word of the applicant's mark is also the same as the opponent's mark. Upon encountering the applicant's mark being used in respect of any goods or services identical to, or similar to a low degree or higher, it is likely to be perceived as indicating services provided by, or linked to, the opponent's Rainbows and is indicating a "rangers" arm of the Rainbows or goods related to or promoting these services. Therefore, taking account of the common element in the context of the later mark as a whole, the consumer is likely to conclude that it is another brand of the owner of the earlier mark.

147. Additionally, keeping in mind a significant proportion of the public, upon encountering the mark RAINBOWS may perceive it as a shortened version of RAINBOW RANGERS and, in doing so, believe that the goods and services provided under the marks originate from the same or linked undertakings. Consequently, whilst I do not agree with Mr Muir Wood when he submitted that the applicant's mark will be perceived as a linked or subset brand of the opponent, I do find that the average consumer, upon encountering the opponent's mark is likely to perceive it as a linked or subset brand of the applicant. Such "wrong way round confusion" is sufficient, as found by the Court of Appeal25 when considering the issue of infringement. Such a finding can apply equally to the application of section 5(2)(b).

148. In light of these findings, the section 5(2)(b) ground, insofar as it is based upon the opponent's earlier RAINBOWS registration is successful in respect of the following list of the applicant's goods and services . . .

- 21. So far as the Ranger mark was concerned the Hearing Officer concluded that in so far as he had found that the respective goods or services were not similar there could be no finding of a likelihood of confusion (paragraph [151] of the Decision).
- 22. As to the remaining goods and services the Hearing Officer held as follows (footnote excluded):

152. Once again, Mr Muir Wood submitted that there exists a likelihood of indirect confusion. Ms Jones relied on her claim that RANGERS does not have an independent distinctive role in the applicant's mark. I was referred to the decision of Philip Johnson, sitting as the Appointed Person in *Be:FIT London Trade Mark*, BL O-385-1826, paragraph 13 that, itself, referred to Mr Purvis' comments reproduced at paragraph 144, above. I accept that the consumer will perceive the respective marks as

being different, but it will also be noticed that they both share the same RANGERS element and, further, in such circumstances, the average consumer is likely to perceive RANGERS as a shortened version of RAINBOW RANGERS or RAINBOW RANGERS as a sub-group of RANGERS. In either case, it is likely that the consumer will assume that, because of this link, the marks originate from the same or linked undertaking where the respective goods and services share a low or higher degree of similarity. The General Court has previously recognised that a common element at the end of a mark may be sufficient to create a likelihood of confusion27 and I find that there is a likelihood of indirect confusion.

153. In light of these findings, the section 5(2)(b) ground, insofar as it is based upon the opponent's earlier RANGERS registration is successful in respect of the following list of the applicant's goods and services . . .

23. The Hearing Officer then summarised the outcome of the section 5(2)(b) ground of opposition as follows (emphasis as in the original):

154. Combining the outcomes based upon both the RAINBOWS/RAINBOW and RANGERS/RANGER earlier marks, the section 5(2)(b) grounds succeeds in respect of the majority of the applicant's goods and services.

155. The only goods and services to survive this ground are listed below:

Class 9: children's swim goggles.

**Class 16**: *paper lunch bags; cardboard party decorations, namely, cut-out character stands for decoration, facial tissues.* 

Class 27: Carpets, rugs, mats and matting, linoleum for covering existing floors; floor coverings; other materials for covering existing floors, namely, vinyl floor coverings; nontextile wall hangings; tapestry-style wall hangings, not of textiles; wall paper; bath mats; throw rugs; bath textiles, namely, textile bath mats.

**Class 35**: Online retail store services featuring cosmetics, fragrances; online retail store services featuring tickets for concerts and tours; association services, namely, promoting the interests of musicians, singers, songwriters, musical performers and artists.

24. Finally, the Hearing Officer turned to the section 5(3) objection which he dealt with very shortly as follows:

157. The opponent relies upon a claimed reputation in respect of its series of four RAINBOW/RAINBOWS marks in respect of the following services: Class 41: Organisation of group activities in the education, cultural, training and entertainment fields; arranging and conducting educational and recreational conferences; provision of courses of instruction and training in camping, sports, homemaking, wood-craft; providing courses of instruction in self-awareness; organising of competitions, sporting events and displays; provision of club recreation and sporting facilities; education and training services in relation to a healthy lifestyle

158. I will consider this ground only briefly. Proceeding on the fair assumption that, based on my finding that its marks have a reasonable enhanced distinctive character in respect of the services described by the first term relied upon, the marks have a reputation as claimed. Taking account of my findings under section 5(2)(b) it is also a reasonable assumption that the opponent would be able to demonstrate the requisite link in respect to at least some of the applicant's goods and services and these would lead to this ground being partially successful. However, the size of its reputation and the strength of the link would not be such as to extend the opponent's success to the goods and services that I have found to be dissimilar. Consequently, the opponent's reliance upon section 5(3) will not improve its level of success and there is no need for me to consider it further.

#### The Appeal

- 25. On 24 August 2021 the Applicant's representatives filed a TM55P Notice of Appeal. The Grounds of Appeal relied upon are as follows:
  - (1) That the Hearing Officer erred in his assessment of proof of use of the Trade Mark Registration No. 2033809;
  - (2) That the Hearing Officer erred in his analysis of and comparison on the marks in issue.
  - (3) That the Hearing Officer made a factual error in relation to the specifications for each of the Opponent's earlier marks.
  - (4) That the Hearing Officer erred in his assessment of whether Trade Mark Registration No 3035367 enjoyed an enhanced distinctive character.
  - (5) That the Hearing Officer erred in his assessment of whether there was a likelihood of indirect confusion.

- (6) That the Hearing Officer erred in his findings under section 5(3) of the 1994 Act in relation to reputation.
- 26. No Respondent's Notice was filed.
- 27. At the hearing of the appeal which took place by video link Ms Victoria Jones instructed by Wither and Rogers LLP appeared on behalf of the Applicant and Mr Jamie Muir Wood instructed by Bate Wells & Braithwaite London LLP appeared on behalf of the Opponent. I was significantly assisted on this appeal both by the skeletons of argument and the submissions made by counsel at the hearing.

#### The Standard of Review on Appeal

28. The principles with regard to the appellate function on appeals from the Registrar of Trade Marks have most recently and conveniently been set out in <u>Axogen Corporation</u> <u>v. Aviv Scientific Limited</u> [2022] EWHC 95 (Ch) at [24]:

> 24. Although I was referred to numerous cases on the subject (including *English v Emery Demibold & Struck Ltd* [2002] 1 WLR 2409, *REEF Trade Mark* [2003] RPC 5, Fine & Country Ltd v Okotoks Ltd [2014] FSR 11, *Fage UK Ltd v Chobani UK Ltd* [2014] EWCA Civ 5, *Shanks v Unilever Plc* [2014] RPC 29, *TT Education Ltd v Pie Corbett Consultancy* [2017] RPC 17, *Apple Inc v Arcadia Trading Limited* [2017] EWHC 440 (Ch), *Actavis Group PTC v ICOS Corporation* [2019] UKSC 1671 and *NINEPLUS* O/039/21), the approach of the appeal court to a statutory appeal under section 76(1) of the TMA is uncontroversial. I bear the following principles, relevant to the issues before me, firmly in mind:

i) The appeal is by way of a review, not a rehearing (see *TT Education Ltd v Pie Corbett Consultancy Ltd* (O/017/17) at [52(i)]);

ii) The appeal court will allow an appeal where the decision of the lower court was "wrong" (see CPR 52.11). Neither surprise at a Hearing Officer's conclusion, nor a belief that he or she has reached the wrong decision suffices to justify interference (*NINEPLUS* O/039/21 at [14]);

iii) The decision of the lower court will be "wrong" if the judge makes an error of law, which might involve asking the wrong question, failing to take account of relevant matters or taking into account irrelevant matters. Absent an error of law, the appellate court would be justified in concluding that the decision of the lower court was wrong if the judge's conclusion was "outside the bounds within which reasonable disagreement is possible" (*Actavis Group* at [81]);

iv) The approach required by the appeal court depends on a number of variables including the nature of the evaluation in question (*REEF Trade Mark* [2003] RPC per at [26]). There is a "spectrum of appropriate respect for the Registrar's determination depending on the nature of the decision" (*TT Education* at [52(ii)]), with decisions of primary fact at one end of the spectrum and multi- factorial decisions (of the type which the parties agree were made in this case by the Hearing Officer) being further along the spectrum.

v) In the case of a multifactorial assessment or evaluation, involving the weighing of different factors against each other, the appeal court should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions (*TT Education* at [52(iv)], *REEF* at [28] and *Fine & Country* at [50]-[51]).

vi) An error of principle is not confined to an error as to the law but extends to certain types of error in the application of a legal standard to the facts in an evaluation of those facts. The evaluative process is often a matter of degree upon which different judges can legitimately differ and an appellate court ought not to interfere unless it is satisfied that the judge's conclusion is outside the bounds within which reasonable disagreement is possible (*Actavis Group* at [80]).

vii) Another variable to be taken into account will be "the standing and experience of the fact-finding judge or tribunal" (*REEF* at [26], *Actavis Group* at [78]). Expert tribunals are charged with applying the law in the specialised fields and their decisions should be respected unless it is quite clear that they have misdirected themselves in law. Appellate courts should not rush to find such misdirections simply because they might have reached a different conclusion on the facts (Shanks at [28] citing the warning given by Baroness Hale in *AH* (*Sudan*) *v Secretary of State for the Home Department* [2007] UKHL 49).

viii) The appellate court should not treat a judgment as containing an error of principle simply because of its belief that the judgment or decision could have been better expressed; "The duty to give reasons must not be turned into an intolerable burden" (see *REEF* at [29]). The reasons need not be elaborate. There is no duty on a judge, in giving her reasons, to deal with every argument presented by counsel in support of his case. It is sufficient if what she says shows the basis on which she has acted (*English* at [17], *Fage* at [115]). The issues the resolution of which were vital to the judge's conclusions should be identified and the manner in which she resolved them explained (*English* at [19]).

ix) In evaluating the evidence, the appellate court is entitled to assume, absent good reason to the contrary, that the first instance judge has taken all of the evidence into account (TT *Education* at [52(vi)]).

25. In the context of appeals relating to the likelihood of confusion, an evaluative issue described by Mr Iain Purvis QC sitting as an Appointed Person in *ROCHESTER Trade Mark* BL O/049/17 at [31] as "indeterminate and open to debate", Mr Purvis QC went on to say this at [33]:

"...the reluctance of the Appointed Person to interfere with a decision of a Hearing Officer on likelihood of confusion is quite high for at least the following reasons:

(i) The decision involves the consideration of a large number of factors, whose relative weight is not laid down by law but is a matter of judgment for the tribunal on the particular facts of each case

(ii) The legal test 'likely to cause confusion amongst the average consumer' is inherently imprecise, not least because the average consumer is not a real person

(iii) The Hearing Officer is an experienced and well-trained tribunal, who deals with far more cases on a day-to-day basis than the Appellate tribunal

(iv) The legal test involves a prediction as to how the public might react to the presence of two trade marks in ordinary use in trade. Any wise person who has practised in this field will have come to recognize that it is often very difficult to make such a prediction with confidence. Jacob J (as he then was) made this point in the passing off case *Neutrogena v Golden* [1996] RPC 473 at 482:

'It was certainly my experience in practice that my own view as to the likelihood of deception was not always reliable. As I grew more experienced I said more and more "it depends on the evidence."'

Any sensible Appellate tribunal will therefore apply a healthy degree of self-doubt to its own opinion on the result of the legal test in any particular case.

34. I shall therefore approach this appeal on the basis that in the absence of a distinct and material error of principle, I ought not to interfere with the decision of the Hearing Officer unless I consider that his view on

the issue of likelihood of confusion was clearly wrong in the sense that it was outside the range of views which could have been reasonably taken on the established facts."

29. The general principles are not in dispute and I will bear the above principles firmly in mind in considering the issues before me.

#### **Decision**

### Ground 1: That the Hearing Officer erred in his assessment of proof of use of the Trade Mark Registration No. 2033809

- 30. In summary, this ground of appeal is that the evidence before the Hearing Officer was not sufficient to establish genuine use but instead required the Hearing Officer to make findings of use based on suppositions or probabilities.
- 31. In support of this the Applicant has identified a number of errors.
- 32. Before turning to these errors, it is to be noted that the evidence of use filed on behalf of the Opponent was contained in the witness statement of Mr Whitehead together with a number of exhibits. No request for cross-examination was made with respect to the evidence of Mr Whitehead it must therefore be taken for what it is.
- 33. First, against a background where the Hearing Officer had identified some shortcomings in the evidence (paragraphs [20] and [24] of the Decision) he had failed to take into account in determining whether there is a real exploitation of the mark '*the evidence that the proprietor is able to provide*' (see paragraph [115(6)(f)] of the judgment of Arnold J. as he then was in <u>Walton International Limited & Anor v. Verweij Fashion BV</u> [2018] ETMR 34). That is to say that the Hearing Officer having heard submissions made on behalf the Applicant criticising the evidence and pointing out the absence of any explanation from the Opponent as to the limited amount of evidence and/or why it could not have provided more failed to take such submissions into account.
- 34. Given that the Hearing Officer, having recognised the shortcomings of the evidence, explained in considerable detail why he took the view that the evidence did in fact demonstrate use, I do not take the view that he can be criticised for not considering what other or better evidence the Opponent could have put in. The reasoning that was included in his Decision was more than sufficient to show the parties the reasons that he reached his conclusion; and as noted in paragraph 24(viii) of the judgment in <u>Axogen</u> (above) there is no duty on a decision taker to deal with every argument presented to her.
- 35. Second, it is said that the Hearing Officer erroneously took into account print outs of the Opponent's online shop and screen shots from the John Lewis website despite both being undated and Mr Whitehead's evidence referring to such goods being

*currently*' available to purchase from these locations and not giving evidence in relation to such in the relevant period.

- 36. I have reviewed the evidence and whilst it is true that the print outs and screen shots exhibited to the statement were said to be current, Mr Whitehead goes on in his evidence to confirm that the goods shown in the exhibit (there is a typographical error in the exhibit number in the witness statement but it is clear from the context which the correct exhibit is) have been available since 2004. Therefore, it seems to me that it was open to the Hearing Officer to accept the material as evidence of use in the relevant period.
- 37. Third, it is said that the Hearing Officer should not have found that the five purchase orders contained in Mr Whitehead's exhibits should not have been found to have evidenced sales to members of the public, or that they related to goods that were put on the market, and/or that they showed use of the brand.
- 38. However, this is to look at the purchase orders alone and not in the context of the evidence contained in the witness Statement of Mr Whitehead which in the absence of cross-examination must be taken at face value. It is also to seek to isolate the purchase orders from the other exhibits which are referred to by Mr Whitehead. Taken in the round it seems to me that it was open to the Hearing Officer to accept this evidence.
- 39. Fourth it is maintained that the Hearing Officer should not have accepted the tables of sales figures contained within the witness statement of Mr Whitehead filed in support of the Opponent. It is said that there was no or little documentation filed in support of the figures, no explanation as to how the figures were arrived at and the tables did not provide sufficient breakdown of the goods to which they related.
- 40. Again, what the Applicant seeks to do in this Ground of Appeal is to isolate these particular tables of sales figures from the totality of the evidence. These tables need to be considered in the context of Mr Whitehead's evidence as a whole and in particular by reference to the contents of the catalogues that were exhibited to his statement.
- 41. Finally, it is said that the Hearing Officer should not have accepted the evidence in the form of catalogues on the basis that such catalogues were not provided to members of the public as opposed to being sent to the relevant Guide units.
- 42. I have reviewed the evidence contained in Mr Whitehead's witness statement and it seems to me that it was open to the Hearing Officer to take the view that the catalogues were provided to members of the public given that Mr Whitehead stated in his witness statement that 'In addition to the [Opponent's] online shop, details of various Rainbows branded uniform, badges and branded accessories available are marketed and offered to Rainbow members in our "Essential Catalogue" albeit that

the catalogues would appear to have been made available to those members via the Rainbow units.

43. For the reasons set out above and having reviewed the evidence and read the relevant paragraphs of the Decision I am satisfied that the conclusion that the Hearing Officer reached is one that it was open to him to make for the reasons that he gave. Accordingly, I dismiss Ground 1 of this appeal.

# Ground 2: That the Hearing Officer erred in his analysis of and comparison on the marks in issue.

- 44. In paragraphs [124] to [131] of the Decision the Hearing Officer set out his reasoning and conclusions on this issue. In doing so the Hearing Officer correctly identified the applicable legal principles and expressly reminded himself of the need to avoid artificially dissecting the signs for the purposes of the comparison that he was required to make and indeed made clear that he regarded the two words making up the Application formed a unit (see paragraphs [125] and [126] of the Decision).
- 45. The Hearing Officer then went on to carefully set out his analysis of the visual, aural and conceptual comparison that he was required to make (paragraphs [127] to [131] of the Decision).
- 46. In these circumstances it seems to me that if the points raised by the Proprietor were to be considered afresh by me then as stated by Geoffrey Hobbs QC sitting as the Appointed Person in <u>NICO LONDON TM</u> (O-338-20) at paragraph [36]:

... the Decision would end up being re-taken by this Tribunal under the guise of reviewing it for error. However, it is necessary in order to maintain the required distance between the role of decision taker at first instance and the role of decision taker on appeal for this Tribunal to proceed on the basis that the Decision below should stand unless the matters on which the [Applicant] relies are by force of what they reveal sufficient to establish that the Decision is vitiated by error.

47. I have reviewed the Decision in the light of the alternatives put forward by the Applicant. In this connection I have in particular considered whether, with regard to the assessment of the conceptual comparison, what the effect, if any, would be if the Application was perceived as a 'name' rather than as the Hearing Officer found that the mark as a whole would be perceived as describing rangers that are in some way associated with rainbows. It is clear that the Hearing Officer was aware of the evidence filed on behalf of the Applicant in support of this contention (it is referred to in paragraph [11] of the Decision). Moreover, it does not seem to me that the finding that the Hearing Officer made is incompatible with the evidence before him with regard to the use of the words RAINBOW and RANGERS in the market place with respect to the goods and services in issue.

- 48. Having considered the alternatives put forward on behalf of the Applicant I am satisfied that the conclusion the Hearing Officer reached is not one that is vitiated by error rather it is one that it was open to him to reach for the reasons that he gave.
- 49. In the premises, I dismiss Ground 2 of this appeal.

# Ground 3: That the Hearing Officer made a factual error in relation to the specifications for each of the Opponent's earlier marks.

- 50. The factual error relied upon in this appeal was that in paragraph [143] when dealing with the Rainbow marks the Hearing Officer referred to a limitation on the specification which was only applicable to the Ranger mark.
- 51. It was, in my view correctly, accepted on this appeal on behalf of the Opponent that paragraph [143] of the Decision contained this factual error.
- 52. However, the Opponent also noted that the Hearing Officer himself considered the limitation made no difference (paragraph [143] of the Decision). That this factual error made no difference to the conclusions that the Hearing Officer reached in his Decision was also, in my view correctly, accepted on behalf of the Applicant at the hearing before me.
- 53. In the circumstances this factual error is not a material error and accordingly I dismiss this ground of appeal.

### Ground 4: That the Hearing Officer erred in his assessment of whether Trade Mark Registration No 3035367 enjoyed an enhanced distinctive character.

- 54. In paragraph [138] of his Decision the Hearing Officer found that Trade Mark Registration No 3035367 enjoyed an enhanced distinctive character with respect to *'the opponent's core services of "organisation of group activities in the education, cultural, training and entertainment fields, all relating to activities for girls".*
- 55. It is said on behalf of the Applicant that this was a finding that the Hearing Officer was not entitled to make either on the basis of the material referred to in paragraph [138] of his Decision or on the evidence that was more generally before him as to the use of Trade Mark Registration No 3035367.
- 56. I have reviewed the evidence that was before the Hearing Officer and it seems to me that the findings, he made were ones that it was open to him to make. With regard to the criticisms that the Applicant made of the Decision it seem to me (1) that the Hearing Officer was very aware of the evidence that was before him as if he had not been he would not have been able to identify the Opponent's core services in the manner in which he did and which is not said to have been wrongly identified by the Applicant; (2) the specific evidence referred to by the Hearing Officer clearly demonstrated a substantial membership and geographical spread given the number of Rainbow units in the UK; and (3) although not expressly referred to by the Hearing

Officer in paragraph [138] there was other evidence contained within the evidence that provided additional support for his finding and which he was clearly aware of given his identification of the core activities referred to in sub-paragraph (1) above.

57. In the premises, I dismiss Ground 4 of the appeal.

### Ground 5: That the Hearing Officer erred in his assessment of whether there was a likelihood of indirect confusion.

- 58. In so far as the Applicant relies on errors in Grounds 1 to 4 as a basis for submitting that the Hearing Officer erred in his assessment of whether there was a likelihood of indirect confusion this ground of appeal must be dismissed for the reasons given above.
- 59. However, the Applicant also relies on a 'freestanding' complaint with regard to the Hearing Officer's assessment of the likelihood of indirect confusion. This complaint is essentially put forward on two bases. First it is said that the findings made in paragraphs [146] and [147] are inconsistent with one another; and secondly it is said that that the Hearing Officer based his finding 'based purely and erroneously on the fact that the [Applicant's] mark shares a common element with each of the [Opponent's] earlier marks'.
- 60. As to the first complaint with regard to the inconsistency between the two paragraphs in the decision it seems to me that there is some force in the complaint. In particular it is difficult to see how the finding set out in the sentence in paragraph [146] of the Decision that 'taking account of the common element in the context of the later mark as a whole, the consumer is likely to conclude that it is another brand of the owner of the earlier mark' can be reconciled with 'whilst I do not agree with Mr Muir Wood when he submitted that the applicant's mark will be perceived as a linked or subset brand of the opponent, I do find that the average consumer is likely to perceive [the opponent's Rainbow mark] as linked or subset brand of the applicant' in paragraph [147] of the Decision.
- 61. Despite the fact that the first word of paragraph [147] was '*Additionally*' this does not it seem to me overcome what appears to be different and inconsistent reasoning in the two paragraphs which leaves it unclear as to what his reasoning for the Decision actually was.
- 62. As to the second complaint it is clear that the Hearing Officer was aware that a finding of indirect confusion should not be made merely because the two marks share a common element. At paragraph [145] of his Decision the Hearing Officer expressly recognised this and referred to the decision of James Mellor QC siting as the Appointed Person (as he then was) in <u>Duebros Limited v. Heirler Cenovis GmbH</u> (O-547-17).
- 63. The Hearing Officer was also correct to note that in the judgment in Case T-194/14 Bristol Global Co Ltd v. OHIM that the General Court had recognised that the fact

that a common element at the end of the mark *may* be sufficient to give rise to a finding of a likelihood of confusion. However, as the General Court went on to make clear there is no general rule and it depends on the global assessment having regard to the general guidance provided by the CJEU and the General Court as to the correct approach as applied to the particular facts before the decision taker.

- 64. However, it is also the case that the Hearing Officer did not explain either with respect to the opposition based on the Rainbow Mark or the Rangers Mark why:
  - (1) RAINBOW RANGERS would be seen as the '*rangers arm of Rainbows*' given that the word rangers is not an obvious word for a sub brand or brand extension.
  - (2) RAINBOW may be perceived by the average consumer as a shortened version of RAINBOW RANGERS.
  - (3) If RAINBOW was perceived as a shortened version of RAINBOW RANGERS that it would be regarded as '*a linked or subset brand of the opponent*'.
  - (4) RANGERS is likely to be perceived as a shortened version of RAINBOW RANGERS or RAINBOW RANGERS would be perceived as a sub-group of RANGERS.
- 65. The absence of explanation is all the more perplexing given that the Hearing Officer had stated at paragraph [127] of his Decision that (emphasis added):

The applicant's mark consists of the two words RAINBOW RANGERS. Ms Jones submitted that neither RAINBOW or RANGERS plays an independent distinctive role changing the mark from nouns to a name. <u>I agree that the first word</u> <u>qualifies the second and consequently the two words form a</u> <u>unit and the distinctive character resides in the</u> <u>combination of the words with no one word dominating</u>.

Moreover, the Hearing Officer made no finding that either RAINBOW or RANGERS retained an independent distinctive role within the Application.

66. It seems to me that the analysis, such as it was, of the Hearing Officer was unrealistic when considering how the average consumer can be expected to perceive the mark RAINBOW RANGERS in normal and fair use. It falls into the trap of dividing the mark up into its constituent parts rather than dealing with it as a coherent whole. This is particularly apparent by the reference in the Decision to RAINBOW RANGERS being shortened to RAINBOW or RANGERS in the perception of the average consumer. Moreover, for my part I can see no reason why that would be the case.

- 67. I agree with the finding in paragraph [127] of his Decision that the distinctive character of the Application is in the combination of the words RAINBOW and RANGERS with no word dominating. Therefore, in my view the question of the likelihood of confusion must be approached be approached on the basis of *the combination* of the words with neither the word RAINBOW or RANGERS retaining an independent distinctive role.
- 68. As explained by James Mellor QC in paragraph [81.4] of the <u>Duebros</u> case (above) referring back to the Decision Iain Purvis QC sitting as the Appointed Person in <u>LA</u> <u>Sugar Trade Mark</u> (O-375-10):

... I think that it is important to stress that a finding of indirect confusion should not be made merely because the two marks share a common element. When Mr Purvis was explaining in more form terms the sort of mental process involved at the end of his [16], he made it clear that the mental process did not depend upon on the common element alone: "Taking account of the common element <u>in the context of the later mark as a whole</u>." (my emphasis).

- 69. Moreover, in the present case the words RAINBOW and RANGERS are ordinary English words but they are not, in my view, words that:
  - (1) Are 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 them in a trade mark at all.
  - (2) Can properly be described as words of a kind that the average consumer would expect to find in a sub-brand or brand extension.
- 70. The earlier series marks relied on by the Opponent are single words. Each must be considered *separately*. In the case of the Rainbow marks the comparison is RAINBOW with RAINBOW RANGERS; and in the case of the Rangers mark RANGERS with RAINBOW RANGERS. It is necessary for the decision taker in this case to be particularly careful as the Opponent should not be treated as though it has rights in any combination of its earlier marks relied on.
- 71. Having regard to the above, I have come to the view that *the combination* of the words RAINBOW and RANGERS give the Application a different impression from the RAINBOW marks and the RANGERS mark. This is not least because the word RAINBOW qualifies the word RANGERS.
- 72. Moreover, standing back and having regard to the findings that the Hearing Officer made with regard to the average consumer, similarity of marks, distinctiveness and identicality/similarity of the goods and service in issue, I have after careful consideration come to the view that at its very highest RAINBOW RANGERS might call to mind the earlier marks relied on.

73. In the circumstances, I consider that the Hearing Officer was wrong to make the findings he did with regard to indirect confusion on the part of the average consumer. I therefore allow Ground 5 of the appeal and reverse the Decision of the Hearing Officer.

# Ground 6: That the Hearing Officer erred in his findings under section 5(3) of the 1994 Act in relation to reputation.

- 74. For the sake of completeness, I turn to consider Ground 6.
- 75. Whilst accepting that the challenge with respect to the section 5(3) ground of opposition could not affect the outcome of the opposition one way or the other the Applicant nonetheless maintained this ground of appeal. There were two points raised under this ground of appeal. First, that in so far as the finding of reputation was based on the findings made with respect to enhanced distinctive character those findings were erroneous for the reasons set out under Ground 4 of the appeal; and second the Hearing Officer did not limit the finding of reputation to the services being for girls.
- 76. It is to be noted that no Respondent's Notice or cross appeal was filed on behalf of the Opponent.
- 77. Against that background this ground of appeal can be dealt with shortly. It is dismissed for the following reasons:
  - (1) As rightly accepted by the Applicant this ground of appeal whether right or wrong does not alter the outcome of the Decision as the Hearing Officer did not make any specific finding of conflict under section 5(3) of the 1994 Act;
  - (2) The ground of appeal stands or falls with Ground 4 of this appeal which for the reasons set out above has been dismissed; and/or
  - (3) As the Opponent rightly accepted it is implicit from the Decision itself that the reputation was limited to the services being provided to girls as the cross-reference to the findings on distinctive character at paragraph [138] of the Decision expressly refers to the services '*all relating to activities for girls*'.

#### **Conclusion**

- 78. For the reasons given above the Appeal is allowed and the Hearing Officer's Decision and order as to costs are set aside.
- 79. In the premises, I direct that Opposition No. 415053 be dismissed and that Trade Mark Application No 3335042 be remitted to the Registrar for further processing in accordance with the provisions of the 1994 Act and the Trade Mark Rules 2008 as applicable to the grant of an application following an unsuccessful opposition.

#### <u>Costs</u>

80. Neither of the parties has asked for any special order as to costs. The Applicant having been successful on this appeal is entitled to a contribution towards its costs. However, I bear in mind that the Applicant whilst successful overall did not succeed on every ground of appeal that was before me. In accordance with the approach of costs award ordinarily adopted by this Tribunal (see for example <u>Future Publishing Ltd v The Edge Interactive Media Inc</u> (O-295-14) at paragraphs [9] to [11]) I direct in the exercise of my discretion that The Guide Association pay to Genius Brands International, Inc £3,500 as a contribution towards its costs of the present proceedings at first instance and on appeal, the sum to be paid by no later than 21 days after the date of this Decision.

Emma Himsworth Q.C.

**Appointed Person** 

23 March 2022