

O-269-03

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION NO 2237099  
IN THE NAME OF BRISTOL & WEST PLC  
OF THE TRADE MARKS:**

**EASYLIFE**

**easylife**



**easylife**

**(A SERIES OF FOUR)**

**IN CLASS 36**

**AND THE APPLICATION FOR A DECLARATION OF INVALIDITY  
THERE TO UNDER NO 80909**

**BY  
EASYGROUP IP LICENSING LIMITED**

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in the name of Bristol & West plc  
of the trade marks:  
EASYLIFE**

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**(a series of four)  
and the application for a declaration of invalidity thereto  
under no 80909  
by easyGroup IP Licensing Limited**

### BACKGROUND

1) On 16 July 2002 easyGroup IP Licensing Limited (referred to afterwards as easyGroup) filed an application to have the above registration declared invalid. The application for registration of the trade mark was filed on 24 June 2000 and it was registered on 28 July 2001. It is registered for:

*investment services; life assurance services; pension services; banking services*

The above services are in class 36 of the International Classification of Goods and Services. The registration stands in the name of Bristol & West plc (referred to afterwards as B&W).

2) At the hearing, counsel for easyGroup, Mr Roberts, honed down the bases of the application for invalidation.

3) easyGroup relies on the following trade mark applications and registrations:

- Community trade mark registration no 1343359 of the trade mark **easyLife**. The application for registration was filed on 16 October 1999. The trade mark is registered, inter alia, for the following goods and services:

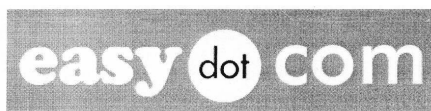
*printed matter, travellers cheques*

*advertising; business management; business administration; office functions; publicity, promotional services, import-export agency services, business information services, organising exhibitions for commercial or advertising purposes*

*travel agency and tourist office services.*

The above goods and services are in classes 16, 35 and 39 respectively of the International Classification of Goods and Services.

- Community trade mark application no 1699792 for the trade mark **EASY**. The application for registration was filed on 9 June 2000 and published for opposition purposes on 18 August 2003. Its specification includes, inter alia, *financial and insurance services*, in class 36 of the International Classification of Goods and Services.
- Community trade mark registration no 1588326 of the trade mark:



The application for registration was filed on 31 March 2000. It is registered, inter alia, for *printed matter and travellers cheques* and *financial and insurance services*, which goods and services are in classes 16 and 36 respectively of the International Classification of Goods and Services.

- Community trade mark application no 1590561 for the trade mark **EASYEVERTHING**. The application for registration was filed on 4 April 2000 and it was published for opposition purposes on 27 May 2002. Its specification includes, inter alia, *financial and insurance services*, in class 36 of the International Classification of Goods and Services.
- United Kingdom trade mark registration no 2168672 of a series of four trade marks:

**easy extras**  
**easyExtras**  
**EASY EXTRAS**  
**EASYEXTRAS**

The application for registration was filed on 5 June 1998. It is registered for, inter alia, *printed matter and travellers cheques* and *insurance services*, which goods and services are in classes 16 and 36 respectively of the International Classification of Goods and Services.

easyGroup argues that all the above trade marks are similar to the trade marks of the registration and encompass similar or identical goods. Consequently, the registration of the application was contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act).

4) easyGroup claims that as of 24 June 2000 that it enjoyed a reputation for a large ‘easy’ family of trade marks in relation to a broad range of on-line consumer services, including financial services, price comparator services, airline services, car rental services and the provision of access to the Internet. easyGroup claims that easyJet, easyEverything and easyRentacar were well established businesses and that easy Money had been extensively invested in and promoted for almost a year. Consequently, use of the trade marks of the registration is liable to be prevented by the law of passing-off and so the registration of the trade mark was contrary to section 5(4)(a) of the Act.

5) easyGroup claims that the trade marks of the registration are devoid of distinctive character and/or descriptive for life assurance services. Registration of the trade marks was, therefore, contrary to sections 3(1)(b) and (c) of the Act.

6) B&W denies the grounds for invalidation of the registration.

7) Both sides filed evidence and seek an award of costs.

8) The case was heard on 13 August 2003. easyGroup was represented by Mr Roberts of counsel, instructed by Page White & Farrer and B&W by Ms McFarland of counsel, instructed by Stevens Hewlett & Perkins.

## **EVIDENCE OF EASYGROUP**

9) The evidence of easyGroup has been furnished by James Rothnie, director of corporate affairs for easyEverything Limited, easyRentacar (UK) Limited and easyGroup (UK) Limited.

10) easyGroup is a private limited company and is a member of the “easy” group of companies which include easyJet Airline Company Limited, easyCar (UK) Limited, easyValue Limited, easyGroup UK Limited and easyInternetCafe Limited. Since 5 November 2000 easyGroup has acted as a central holder and administrator of the intellectual property rights of the various “easy” companies. By an agreement dated 5 November 2000 a number of companies including easyCar (UK) Ltd (then name easyRentacar (UK) Limited), easyJet Airline Company Limited, easyValue Limited, easyGroup UK Limited and easyInternetCafe Limited agreed to assign and licence back all right and title to the “easy” brand to the easyGroup and all accrued causes of action relation thereto. The assignments were executed on 1 January 2001 (easyCar), 5 November 2000 (easyJet), 14 August 2001 (easyValue Limited), 18 December 2000 (easyGroup UK Limited) and 8 April 2001 (easyInternetCafe Limited). All of these dates postdate the date of the filing of the application for registration, 24 June 2000. Mr Rothnie does not explain what the nature of the “easy” groups of companies is, how and

if they are legally interconnected other than through being licensed by easyGroup to use various trade marks. He also does not state if the companies he mentions are the only members of the “easy” group.

11) easyJet Airline was launched in November 1995. Its business is very much based on the Internet. In August 2000 over 75% of its seats were sold over the Internet.

12) Various press articles are exhibited in relation to some form of financial business that the founder of easyJet, Stelios Haji-Ioannou, intended to set up. These include:

- “The Express” 14 February 2001 – “Bank of Scotland has pulled the plug on a partnership with easyMoney, the online financial services soon to be launched by Stelios Haji-Ioannou’s easyGroup.”
- “Financial Times” 14 June 2000 – “Bank of Scotland has confirmed it is holding talks with Stelios Haji-Ioannou, founder of EasyJet, the budget airline, over the setting up of a lower-cost web-based financial services company. Mr Haji-Ioannou said last week that he had found an unnamed UK banking partner for his latest venture, for which he has already secured the internet domain name EasyMoney.com.”
- “The Scotsman” 19 October 1999 – “EasyJet has also decided to call its planned internet banking venture EasyBank.com, rather than EasyMoney.com.”
- Press articles starting in August 1999 – “The Independent” 14 August 1999 “for what is expected to be called easyMoney or easyBank.”

So as far as I can see Mr Haji-Ioannou had some plans for a financial services company. The name was not settled nor is there any clear indication as to what the exact nature of the business was to be. Certainly, at the date of the filing of the application there was no business.

13) Mr Rothnie deals with the easyEverything business which runs Internet cafés. He states that the business was launched in June 1999. A “Reuters Business Briefing” is exhibited which reproduces a piece from “Retail Week” of 25 June 1999. This advises that in that week “EasyEverything, a new retail concept, opened its doors in Wilton Street near London’s Victoria Station.” Mr Rothnie states that the easyEverything website received 607,278 visits in the year to 15 May 2000. An extract from “The Sunday Herald” of 11 June 2000 is exhibited:

“Recently he spent £10 million to launch easyEverything, a chain of cybercafes. The chain opened Scotland’s largest internet café in Edinburgh’s Rose Street last month and is looking at sites in Glasgow.”

From the evidence it would appear that there were several Internet cafés in London and one recently opened in Edinburgh. Mr Rothnie exhibits at JR5 examples of advertising for easyEverything. Much of the material is not identified by date and the quality of production is poor. Dated material is as follows:

“Evening Standard” 15, 30 May 2000  
“Evening News” (Edinburgh) 17,19, 22 May 2000  
“Time Out” 3-10 May 2000  
“High Life” May 2000

14) Mr Rothnie makes various claims about the easyRentacar business, not surprisingly a car rental business. He states that it is an Internet only business. Mr Rothnie states there were 65,000 visits to websites relating to the business between May and December 1999. He does not indicate what he means by “relating to the business”. He states that the business began trading in February 2000. I find this statement somewhat surprising. At JR2 a page downloaded from the Internet headed easyRentacar.com is exhibited:

“As a result of HP’s dedication, the initial phase of the work was completed in only three months, with the Web site going live in March 2000.”

I do not readily understand how an Internet only business was trading prior to its website being accessible. Various press releases are exhibited in relation to easyRentacar:

- Thursday 20 April 2000: “The first **easyRentacar.com** A-class Mercedes were driven away by customers from the London Bridge site this morning, starting at 7am.....The premises at Glasgow Airport will be opening on Monday morning April 24<sup>th</sup>, followed by Barcelona on Wednesday April 26<sup>th</sup>. These sites will be supported by fleets of around 500 vehicles each.”
- Wednesday 8<sup>h</sup> March 2000 – easyRentacar signs site in Barcelona. “Bookings at [www.easyRentacar.com](http://www.easyRentacar.com) will be starting in the near future.”
- Monday 20 March 2000 – easyRentacar signs site in London. “Bookings are now accepted at [www.easyRentacar.com](http://www.easyRentacar.com)” (This seems to further contradict Mr Rothnie’s claim as to when the business went “live”.)

The first advertisement I could see for the business was in “The Guardian” of 13 March 2000. Exhibited are a series of press advertisements from the weekend of Saturday and Sunday 3 and 4 June 2000 in newspapers such as “The Guardian”, “The Times”, “Daily Express”, “Sunday Express”, “Mail on Sunday”, “Sunday Telegraph”, “The Independent”, “Metro” (London) and “The Evening Standard”. This series goes up to the relevant date and advertises the services in London, Glasgow and Barcelona and advises in certain of them of services that are to be launched, such as in Malaga on 7 July.

15) In a printout exhibited from easyJet.com dated 27 October 2000, Stelios Haji-Ioannou states:

“Finally, I am pleased to report that my other ventures continue to make excellent progress. Look out for more news on my latest company, [easy.com](http://easy.com), which will provide a range of virtual services. I will also be launching [easy.money.com](http://easy.money.com) shortly – unsurprisingly this seems to be attracting a great deal of interest!

easyRentacar, the world's first Internet only car rental company, is now available in 10 locations (not bad when you consider we only started trading in April!) and easyEverything, my chain of Internet cafes, is also undergoing rapid expansion."

16) Mr Rothnie states that easyValue has spent around £1 million on advertising and had around 1.5 million hits on its website since it began operating in 2000. There is a lack of collaborative evidence and Mr Rothnie does not even state when the website went live. I can glean some information from a piece in "The Times" of 17 October 2000 – "His latest venture is launched next month, and they have only just got around to advertising for someone to run it. EasyValue.com is a website that will offer price comparisons for books, CDs and other consumer goods...." So as of 17 October 2000, four months after the relevant date, this undertaking was not even off the ground.

17) Mr Rothnie refers to an NOP survey he exhibits at JR4. He states that this emanates from April 2000. However, it clearly states that the fieldwork was undertaken between 25 and 28 August 2000. The survey is headed "EasyJet Awareness – Omnibus Research". None of the questionnaires are exhibited. Parts of the survey are illegible. There is no explanation of the methodology of the survey and no statements from those who undertook the survey. The head note to *Imperial Group plc & Another v. Philip Morris Limited & Another* [1984] RPC 293 gives a useful summary to the requirements for a survey:

"If a survey is to have validity (a) the interviewees must be selected so as to represent a relevant cross-section of the public, (b) the size must be statistically significant, (c) it must be conducted fairly, (d) all the surveys carried out must be disclosed including the number carried out, how they were conducted, and the totality of the persons involved, (e) the totality of the answers given must be disclosed and made available to the defendant, (f) the questions must not be leading nor should they lead the person answering into a field of speculation he would never have embarked upon had the question not been put, (h) the exact answers and not some abbreviated form must be recorded, (i) the instructions to the interviewers as to how to carry out the survey must be disclosed and (j) where the answers are coded for computer input, the coding instructions must be disclosed."

What Mr Rothnie supplies falls well short of the above requirements and I think, wisely, Mr Roberts did not rely on this survey evidence. I certainly give it no weight.

18) Ms McFarland conceded the fame of easyJet for passenger airline services so I do not see that there is much benefit in going through the evidence in relation to this issue.

19) Mr Rothnie states that easyGroup has used the colour orange since 1995 and all the advertising with the exception of some newspaper advertisements in black and white has appeared in the colour orange with lettering in white. Mr Rothnie exhibits colour printouts of pages downloaded from the easyJet.com, easyCar.com and easyMoney websites. These pages were downloaded on 29 November 2002. All of these pages show use of the colour orange; there is orange print and also white print on an orange

background. Downloaded on the same day are pages from the B&W website. This shows use of the colour blue and some use of the colour orange. The main use of the colour orange is as a background to white print. The B&W logo is predominantly in orange with parts in white and blue. One of the two pages deals with EASYLIFE guaranteed savings, which as the name suggests is a savings scheme.

20) Evidence has been furnished in relation to the rôle of banks in business services such as providing payroll and debtor management services, helping to set up new businesses, giving advice on such matters as pensions and insurance and health and safety legislation.

### **EVIDENCE OF B&W**

21) There is a witness statement by Nick Pagon, who is the product manager of B&W. Parts of Mr Pagon's statement can best be characterised as submission, rather than evidence of fact, and so I will say no more about these parts. B&W is one of the largest financial services companies in the United Kingdom. The trade mark EASYLIFE was first used by B&W in August 1999. It has been used in relation to a range of savings accounts:

| <b>Name of account</b> | <b>Date of launch</b> |
|------------------------|-----------------------|
| Easylife Instant       | 9 August 1999         |
| Easylife Bonds         | October 1999          |
| Easylife 30            | 14 April 2000         |
| Easylife Saver         | 16 January 2001       |
| Easylife 60            | 1 June 2001           |
| Easylife Guaranteed    | 16 September 2002     |

22) There is a variety of literature exhibited:

- "Quaytimes" from October 1999. This appears to be a B&W publication, from the contents it appears to be an in-house magazine. The front cover refers to EASY LIFE, B&W's "new instant access savings". The pages reproduced from the magazine refer to EASY LIFE as setting out "to attract the younger, affluent saver".
- Press release dated 16 September 1999 about B&W's EASY LIFE bonds.
- "Accountancy" for October 1999 which gives the rates for "Bristol & West Easy Life Instant" account.
- There are two articles referring to EASY LIFE from August 1999. However, there is no indication of the source. From the internal evidence of the second article, and other evidence exhibited, it would be appear to be from the "Evening Post" which appears to be a local paper covering Bristol.
- Pages downloaded from the "Evening Post" website on 9 August 1999 which refers to B&W's EASY LIFE accounts.
- A press release dated 18 April 2000 about an event to promote EASY LIFE products at B&W's Stroud branch.



- An EASYLIFE flyer from August 1999.
- A marketing brief for B&W staff about the launching of EASYLIFE on 9 August 1999.
- Window posters from May 2001 promoting EASYLIFE.
- Internet pages downloaded on 18 April 2000 about external poster displays for EASYLIFE.
- An EASYLIFE application form and brochure from August 1999.

23) Mr Pagon states that B&W has continuously used the trade mark EASYLIFE throughout mainland Britain since 1999. The turnover for services provided under EASYLIFE is as follows:

|                         | <b>Turnover (£) (net inflows)</b> | <b>no of accounts opened</b> |
|-------------------------|-----------------------------------|------------------------------|
| Aug 1999 – March 2000   | 684,100,000                       | 35,866                       |
| April 2000 – March 2001 | 496,000,000                       | 39,100                       |
| April 2001 – March 2002 | 899,620,770                       | 64,158                       |
| April 2002 – June 2002  | 69,349,071                        | 14,800                       |

So a total of 153,924 accounts had been opened up to June 2002.

24) In 1999/2000 approximately £55,000 was spent in promoting the services sold under the trade mark. Since then approximately £25,000 per year has been spent in promotion.

25) Mr Pagon states that he is not aware of any instance of confusion between his trade mark and the trade marks of easyGroup. B&W has a formal complaints process. This process is dealt with by specialist staff and all complaints are logged onto a central database. A search of the database has not disclosed any instance of confusion. Mr Pagon states:

“The EASYLIFE product is made available by my Company to investors by one of three methods, via the internet, via post/telephone or via personal application at one of my Company’s branches. Applications via the internet have to be made at my Company’s web site [www.bristol-west.co.uk](http://www.bristol-west.co.uk) or [www.bristolandwestonline.co.uk](http://www.bristolandwestonline.co.uk), or its direct sales operation, whilst a personal application would entail a potential investor visiting a branch. In all circumstances investors would be aware that they were dealing with my Company and, as such, I see no reason why anybody would believe my Company’s EASYLIFE product was in any way connected with the Applicant or wrongly believe that they were conducting business with the Applicant.”

These are all matters extrinsic to the trade mark. The use of the trade mark has been within a specific and special environment and for only a limited number of the services of the trade mark. The trade mark could be sold on, it could be used in other fora. I have to consider normal and fair use of the trade mark for all the services. The absence of confusion tells me very little. If the trade mark had been let out on its own into the market place at large, without always holding the hand of B&W, the use of the trade

mark might have told me something about the general assertion of easyGroup of likelihood of confusion with a host of its trade marks. I do not consider that owing to the nature of the use the use tells me anything about the likelihood of confusion or deception.

26) Mr Pagon states that the term “easy access” is used generically in the United Kingdom to denote savings accounts which provide access either on notice or within a few days of request without penalty to the account holder. Mr Pagon states that “easy access” was in generic use at the relevant date, 24 June 2000. Pages downloaded from the Pricerunner.com website are exhibited. These give comparisons of various savings accounts. There are numerous where “type notice term” is identified as “easy access”. Various of the product names include the words “easy access” in their titles.

27) Mr Pagon states that B&W has used the colours orange and blue as its corporate colours since 1991. He states that all of B&W’s corporate literature, branch fascias and promotional/advertising material contains these colours to a substantial degree and have done so since 1991. In support of this statement Mr Pagon produces a couple of exhibits.

28) There in an extract from the 1991 annual report. The colour orange appears as part of a face on the B&W logo with the colour blue. There are colour copies of extracts from B&W’s retail browsing campaign for 1991/92, which was given an award by Building Society Marketing Awards. The B&W logo appears in orange, as the predominant colour, white and blue. Promotional leaflets for opening an account are mainly in blue and orange with some white writing on a blue or orange background.

## **EVIDENCE IN REPLY OF EASYGROUP**

29) This is another witness statement by Mr Rothnie and like the first it includes a large amount of submission, which I will not comment upon.

30) Mr Rothnie states that B&W is largely concentrated in the South West and Southern parts of England and Wales and has hardly any branches north of Solihull. No evidence is put in in relation to this claim. I am not sure what “hardly any branches north of Solihull” actually signifies. Even if this is the case it says nothing about Internet and postal accounts which are not limited by branch structures.

31) Mr Rothnie states that easyGroup has not started using the trade mark easyLife.

32) Mr Rothnie goes on to deal with why he considers business management, business administration, office functions and business information services are similar to the services encompassed by the application. He bases his argument on such things as:

- the possibility of banks appointing receivers
- pension trustees being managers and administrators of businesses employing pension holders
- the rôle of institutional investors in corporate governance
- banks being seen as shadow directors – a bank could be liable where it oversteps the line between advice and influence.

## DECISION

33) Section 47 of the Act reads:

“47.-(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

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

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

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

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that -

- (a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and
- (b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(4) In the case of bad faith in the registration of a trade mark, the registrar himself may apply to the court for a declaration of the invalidity of the registration.

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

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

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

34) I also need to consider section 48(1) of the Trade Marks Act 1994 which states:

“Where the proprietor of an earlier trade mark or other earlier right has acquiesced for a continuous period of five years in the use of a registered trade mark in the United Kingdom, being aware of that use, there shall cease to be any entitlement on the basis of that earlier trade mark or other right-

- (a) to apply for a declaration that the registration of the later trade mark is invalid,
- or
- (b) to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used,

unless the registration of the later trade mark was applied for in bad faith.”

35) There has not been five years use of the trade mark and so this section of the Act does not apply.

#### **Lack of distinctiveness**

36) Section 3 of the Act reads:

“3.-(1) The following shall not be registered -

- (a) signs which do not satisfy the requirements of section 1(1),
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

37) easyGroup’s attack is based upon sections 3(1)(b) and (c) of the Act and is against life assurance services only. Mr Roberts, in his skeleton argument stated:

“easyGroup submits that “easy life” is a simple colloquial phrase of the same order of inherent non-distinctiveness as “have a break” (c.f. the Nestlé v Mars litigation most recently in the Court of Appeal).”

On the above basis I cannot see that the trade mark is any worse for life assurance services than for any other services, or goods. Perhaps, Mr Roberts did not wish to go all the way down this path as it would be admitting that easyGroup’s own easyLife registration is devoid of distinctive character.

38) Mr Roberts commended *Société des Produits Nestlé SA v Mars UK Limited* [2003] EWCA Civ 1072 as being the most recent decision dealing with the issues of inherent distinctiveness, and so including the most recent decisions of the European Court of Justice.

39) In relation to section 3(1)(c) I have to decide whether the trade mark describes the characteristics of life assurance services in some way. (It is not relevant that the trade mark has actually been used in relation to savings accounts.) In the context of these services there is clearly an allusion to the services, one could consider that B&W supplies life assurance that is simply/easily obtained. There is no requirement for originality or invention in trade marks. The writing of this description out is, in my view, indicative of the extra matter that the consumer would have to bring to consideration of the trade mark. Also “in favour” of the trade mark, in my opinion, is the normal meaning of “easy life”. It could well strike a chord with the consumer as being a “clever” trade mark in relation to life assurance services. The trade mark, in my view, shows more lexical invention than BABY-DRY (see *Proctor & Gamble v OHIM* [2002] RPC 17). I consider that the difference between EASYLIFE and terms which may serve in trade to designate the characteristic of services more than minimal (see the opinion of Advocate General Jacobs in *OHIM v Wm Wrigley Jr Company* C-191/01 P).

40) The trade mark could be acceptable under section 3(1)(c) of the Act but still fall foul of section 3(1)(b). The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (European Court of First Instance Case T-79/00 *Rewe Zentral v OHIM (LITE)*). In *Rewe Zentral* the Court of First Instance put the issue of distinctiveness in a nutshell:

“The signs referred to in Article 7(1)(b) of Regulation No 40/94 are signs which are regarded as incapable of performing the essential function of a trade mark, namely that of identifying the origin of the goods or services, thus enabling the consumer who acquired them to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition.”

Having an “easy life” or “living the easy life” are commonly used phrases. This does not preclude EASYLIFE as acting as an indicator of origin, of allowing the consumer to purchase again or avoid. In *Sykes Enterprises, Incorp v OHIM (Real People Real Solutions)* T-130/01 the Court of First Instance stated:

“Since the relevant consumer is not very attentive if a sign does not immediately indicate to him the origin and/or intended use of the object of his intended purchase, but just gives him purely promotional, abstract information, he will not take the time either to enquire into the sign's various possible functions or mentally to register it as a trade mark.”

Would EASYLIFE in the context of life assurance services be seen as indicator of origin or simply promotional or abstract information? I have had some difficulty in coming to a decision as to this matter. As I have indicated above I do not see that it would be particularly worse for life assurance services than other services. However, the sole issue before me relates to life assurance services. In cases such as this under section 3(1)(b) of the Act it falls very much to the view of the hearing officer. It is not like section 3(1)(c) and (d) where a clear parameter in which to consider the issue is given. Mr Pagon exhibits at NP2 various matter relating to EASYLIFE. This includes a poster headed “Vote for an easylife.... save with Bristol & West.” It might be said that this non-trade mark use of EASYLIFE is indicative of the non-distinctiveness of the term. However, it could be equally argued that it is just a clever advertising use of the name of the account.

41) EASYLIFE has not been used in relation to life assurance services. However, it has been used, albeit within the confines of B&W’s real or virtual premises. In the concrete it does strike me as not only being used as a trade mark but as leaving no doubt that it is a trade mark. It seems bizarre to me that I should ignore the use in the market place in coming to a conclusion as to whether the trade mark could without nurture act as an indicator of origin. That use answers the doubts that I have had. I do not see that the position would be any different if it were used for life assurance services rather than savings accounts. I have, therefore, come to the conclusion that EASYLIFE, in any of the four forms registered, will act as an indicator of origin in respect of life assurance services.

42) The recent judgments of the European Court of Justice in *Linde AG, Winward Industries Inc and Rado Uhren AG* in Joined Cases C-53/01 to C-55/01 and *Libertel Groep BV v Benelux-Merkenbureau* Case C-104/01 have restated that in considering the registration of trade marks the competent national authorities need to take into account the public interest and the need to leave free for use by others. In *Viennetta* – [2002] EWHC 2709(Ch) Jacob J stated “what degree of difference is enough to avoid infringement is an important question at the registration stage”. All these cases deal with colour or shape trade marks. However, the issues of the need to leave free and the infringement effects apply, in my view, equally to word marks. A view I am reinforced in by the reference to *Linde* in *Société des Produits Nestlé SA v Mars UK Limited*. In coming to my conclusion as to distinctiveness of EASYLIFE I have borne in mind whether there is a need to leave free. However, I have also borne in mind the judgment of the Lords of Appeal in *R v Johnstone* [2003] UKHL 28 in relation to infringement and non-trade mark use. This is not a case, taking into account the nature of the services and the trade mark, where I feel that any unacceptable burden will be placed on other

businesses in the sphere. There will be a clear delineation between non-trade mark use and trade mark use.

43) If I am wrong in the my findings above there is no issue as to the proviso and the trade mark having acquired distinctiveness through use as none of the use shown relates to life assurance, and it is only life assurance services that concerns me in this application for invalidation.

**44) I dismiss the grounds of invalidation based on sections 3(1)(b) and (c) of the Act.**

**Likelihood of confusion – section 5(2)(b)**

45) According to section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

46) The term ‘earlier trade mark’ is defined in section 6 of the Act as follows:

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

Two of the trade marks upon which easyGroup relies are applications which have not been registered. I, therefore, have to take into account section 6(2) of the Act which states:

“References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

47) The trade marks upon which easyGroup relies all fall within the definition of earlier trade marks.

48) In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77 and *Marca Mode CV v Adidas AG* [2000] ETMR 723.

## Comparison of services

49) The specification of the registration is for:

*investment services; life assurance services; pension services; banking services*

Three of the earlier trade marks include *financial and insurance services* in their specifications. I have no doubt that the latter services encompass the services of the registration and so the services are identical. A fourth trade mark's specification includes the *travellers cheques* and *insurance services*. I am of the view that *insurance services* will encompass *life assurance services* and so at least in relation to these services there is identity. *Travellers cheques* I will discuss below in relation to the fifth trade mark.

50) The fifth trade mark is easyLife. Not surprisingly easyGroup build a lot on this trade mark. In claiming that the services of the registration are similar to the goods and services encompassed by easyLife, Mr Roberts highlighted the following goods and services:

*printed matter, travellers cheques*

*advertising; business management; business administration; office functions; publicity, promotional services, import-export agency services, business information services, organising exhibitions for commercial or advertising purposes.*

I have also taken into account *travel agency services*.

51) The European Court of Justice in *Canon* held in relation to the assessment of the similarity of goods and/or services, that the following factors, inter alia, should be taken into account: their nature, their end users and their method of use and whether they are in competition with each other or are complementary.

52) Neuberger J in *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 stated:

“I should add that I see no reason to give the word "cosmetics" and "toilet preparations" or any other word found in Schedule 4 to the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

I will give the words in the specifications their natural meaning, but within the context that they appear in a specification within the framework of the International



Classification of Goods and Services. I also bear in mind the comments of Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* where he stated:

“When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade.”

I take on board the class in which the goods or services are placed is relevant in determining the nature of the goods and services (see *Altecnic Ltd's Trade Mark Application* [2002] RPC 34). In relation to the comparison of services I firmly bear in mind the comments of Jacob J in *Avnet Incorporated v Isoact Ltd* [1998] FSR 16:

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

53) Mr Rothnie put in evidence in relation to the services of the specification of B&W. Ms McFarland criticised his evidence on the basis that he was not an expert in such matters. As far as the statements that Mr Rothnie makes I consider this a fair criticism. His statements are non-expert opinion and submission. However, I do not see why I should ignore exhibits which give a clear indication of the sorts of services that banks provide. Certain of the evidence does not take me very far. That a bank might abuse its position as a creditor and be deemed to be a shadow director does not tell me anything about the norms of the trade. I do not feel that a similarity of services can be based on the fact that institutional investors sometimes exert influence on companies in which they hold shares. Certain of the chains of connection are rather long and tenuous. That a bank might give business advice, a class 35 service and so not covered by B&W's specification, and in giving business advice might give advice as to pensions, does not to me create a link between business management or business information services and pensions services.

54) Mr Roberts placed a lot of emphasis on the idea of complementary services or goods. If the case is to stand and fall on a complementary nature of goods and/or services I consider that there will have to be a very close nature; that of the symbiotic or mutually dependant. It would have to be on the scale of operating software and a computer rather than of electricity and a machine that uses electricity or the bun and the plate upon which it is put.

55) I will consider *investment services; life assurance services; pension services* of the registration against the goods and services of the earlier registration. I cannot see any point of convergence in relation to the purpose or the nature of the services. The end user will be defined by the nature of the services and I do not see the point of connection between the person who wishes to take out life assurance, for instance, and the person seeking business advice. One would not normally substitute the services under

consideration for any of the goods or services of the earlier registration. Consequently, I cannot see how they could be considered to be in competition. I also fail to see any complementary relationship between the goods and services of the earlier registration and the services under consideration. It is possible that an institution, such as a bank, could give advice on business matters and the above services. However, owing to the legislation surrounding financial services such information would be very much ring fenced and there is nothing to suggest that it would or could, owing to the potential legal penalties, be given by the same people in the bank.

56) Mr Roberts in his submissions seemed to concentrate very much on the banking aspect of the clash. If there is a clash I believe that this is where it is likely to be. Taking into account the *Canon* criteria I do not consider that *investment services; life assurance services; pension services* of the registration are similar to the goods and services of the earlier registration.

57) Included in *banking services* will be foreign exchange services and the furnishing of travellers cheques. A bank supplies travellers cheques, the travellers cheque effects the service of the bank. Without the banking service the travellers cheque is but a piece of paper without value or use. The end user of the banking service, in this context, and the travellers cheque is the same. They are part and parcel of the same activity. I consider that there is a high degree of similarity between *travellers cheques* and *banking services*. I am aware that *banking services* encompasses a myriad of other activities. However, B&W has chosen not to specifically define the exact nature of the banking services of interest to it and it is not for me to guess what is or is not of interest to them. (Although clearly from the evidence savings accounts are.) B&W has chosen to use a portmanteau term and has stood by it throughout these proceedings. It has to stand or fall by its decision.

58) This disposes of *banking services*, however, for the sake of completeness I will consider other aspects of the clashes with the services of the earlier registrations.

59) The potential clash with *travel agency services* arises from a similar basis to *travellers cheques*. In my experience it is normal for travel agents to supply foreign currency, indeed to have discrete areas of their premises for this function. It is part and parcel of their trade. Of course, when they supply foreign currency they are taking part in a class 36 activity and so easyGroup's specification gives no cover for this exact service. However, the end user of both services is the same; the person travelling aboard. I am loathe to state that the services are complementary. There is a connection between travelling abroad and getting foreign currency or travellers cheques and between travel agents and the supplying of means of payment abroad. However, there is no symbiotic and mutually dependant relationship. I think it is dangerous to promote a connection into a complementary relationship. Nevertheless, I consider that the trade tradition of travel agents supplying this banking service cannot be ignored in making an overall assessment of the similarity of the services. Taken overall I consider that there is a degree of similarity between *banking services* and *travel agency services*.

60) Mr Rothnie makes a considerable effort in his evidence to establish a link between *banking services* and the business related services that easyGroup's registration encompasses. It is quite easy to slip into the error of confusing a connection with being a proof of similarity of services. The discipline of the *Canon* criteria is there to act as a defence to the falling into heresy. I consider that the evidence of Mr Rothnie clearly shows the rôle that banks have taken in furnishing business customers with advice in relation to the running of business. It seems that for small and start-up businesses this is very much part of "the package". However, that they do this does not establish a similarity of services. The International Classification of Goods and Services, whether artificially or not, defines and divides the world into forty five classes. In this world business advice is in class 35, banking in class 36. However, *banking services* will encompass financial advice. It seems to me that easyGroup's specification will encompass business advice. The dividing line between financial advice and business advice is very small, business and finance are inextricably linked. The end user is quite possibly the same, a business person. The nature of the service is very close. Owing to the inextricable link between business and finance it is difficult to define where one starts and the other stops. There is more than a connection, there is a symbiosis and a consequent complementary nature. I consider that *banking services* and the services in class 35 of easyGroup are highly similar. Again if the specification had been particularised it is possible that there would not be a clash or only with certain services.

**61) To recap, I consider that *banking services* of the registration are similar, and for certain goods and services highly similar, to the goods and services of easyGroup's easyLife registration.**

### **Comparison of trade marks**

62) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (Sabel BV v Puma AG page 224). The visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components (Sabel BV v Puma AG page 224). I take into account the matter must be judged through the eyes of the average consumer of the goods/services in question (Sabel BV v Puma AG page 224) who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind (Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV page 84, paragraph 27).

**63) easyGroup's easyLife trade mark is similar to B&W's trade marks, similar to the point where it verges on the potentially identical.**

64) B&W's trade marks are:

**EASYLIFE**

**easylife**



The other trade marks of easyGroup under consideration are:

**EASY**

**EASY EVERYTHING**

**easy extras** )  
**easyExtras** ) a series of four  
**EASY EXTRAS** )  
**EASYEXTRAS** )



65) Mr Roberts referred to the decision of Mr Hobbs QC, sitting as the appointed person in *Torremar Trade Mark* [2003] RPC 4 and in particular the comments at paragraphs 18 – 25:

**18** Each of the earlier trade marks cited by the opponent must be considered in turn for the purpose of determining whether it prevents acceptance of the contested application for registration under s.5(2) of the Act.  
**19** In each case the question to be determined is whether there are similarities (in terms of marks and goods) which would combine to create a likelihood of confusion if the earlier trade mark and the sign subsequently presented for registration were used concurrently in relation to the goods for which they are respectively registered and proposed to be registered.  
**20** The objection cannot be upheld if it does not appear that the public could believe that the goods supplied under the marks in contention come from the same

undertaking or, as the case may be, from economically-linked undertakings: Case C-39/97 Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer inc. [1998] E.C.R. I-5507, paragraphs 26 to 30.

**21** When (as contemplated by s.5(2)(b) of the Act) the marks in issue are not identical, they need to be *distinctively similar* in order to be capable of inducing such a belief in the mind of the average consumer of the goods concerned.

**22** At this point it is necessary to observe that marks which converge upon a particular mode or element of expression may or may not be found upon due consideration to be distinctively similar. The position varies according to the propensity of the particular mode or element of expression to be perceived, in the context of the marks as a whole, as origin specific (see, for example, *Wagamama Ltd v City Centre Restaurants Plc* [1995] F.S.R. 713) or origin neutral (see, for example, *The European Ltd v The Economist Newspaper Ltd* [1998] F.S.R. 283).

**23** The relevant propensity may, on established principles, be inherent or acquired through use. This leaves room for evidence demonstrating that the mode or element of expression in question has an established significance which the average consumer would take to have been carried through to the marks in issue.

**24** The view that the established significance is origin specific may be supported by evidence directed to the way in which the mode or element of expression has been used as the basis for a "family" of distinctively similar marks: *Duonebs Trade Mark* January 2, 2001 SRIS O/048/01 (Mr Simon Thorley Q.C.); *The Infamous Nut Company Ltd's Application* September 17, 2001 SRIS O/411/01 (Professor Ruth Annand); *Lifsource International Inc.'s Application*; *Opposition of Novartis Nutrition AG* [2001] E.T.M.R. 106, p.1227 (Opposition Division, OHIM). The view that the established significance is origin neutral may be supported by evidence directed to the way in which the mode or element of expression has been used by traders and consumers more generally."

In relation to the comments in paragraph 24 the evidence shows that the only trade mark that had been used at the relevant date was easyEverything, and then in relation to the completely alien service of an Internet café. (Mr Roberts conceded that easyLife had not been used at the relevant date.) Mr Roberts argues that the use of EASY in relation to other trade marks of easyGroup had educated the public into identifying this element with easyGroup. I see no evidence, either indicatively or directly to this effect. easyGroup had at the relevant date had no involvement in the financial sector. It had fame for easyJet for passenger airlines. It had just started up a car hire business and had an internet café business in London, with possibly a branch in Edinburgh. The premise of Mr Roberts is based on EASY not only being the distinctive and dominant component of each of the trade marks but also the element that acts as the indicator of origin.

66) I will leave the application for the trade mark EASY on its own to one side for the moment. All the trade marks share the word easy, that is the common element. The final word element is conceptually different. This is not a matter of conceptual neutrality, as one has with different invented elements, but conceptual dissonance which puts greater distance between the trade marks. All of the second elements are well-known words. In this case this dissonance is exacerbated by the well known meaning of EASYLIFE as a

whole. There is no phonetic similarity between the second elements. Taking this into account it is not surprising that Mr Roberts laid claim to the word EASY.

67) The trade marks of B&W are for all intents and purposes word marks. The visual similarity will very much depend on the perception of the words. There is nothing unusual about the get-up of B&W's trade mark. easyGroup has made much of the use of the colour orange by B&W. However, it has not put in any convincing evidence that the colour orange is associated with it and especially not in relation to financial services.

68) EASY is a common and very descriptive word. It is not a word, in my view, that on its own is likely to be distinctive of any goods or services. The trade marks have distinctiveness in the combination of their elements. This is a case where the trade marks very much have to be considered in their entirety, an artificial dissection will not do. I am afraid the argument of Mr Roberts is very much of that wealthy trader who is trying to enclose the great common of the English language. However, easyGroup does not have the enclosure acts to aid its cause. Mr Livesey QC, sitting as a deputy judge of the High Court, viewed the issue as follows in *EasyJet Airline Co. Ltd v Dainty (t/a EasyRealestate)* [2002] FSR 6:

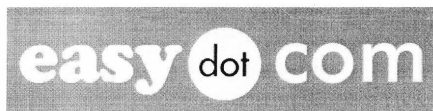
“I agree with the defendant that the claimants are not entitled to appropriate the word "easy" and prevent any businessman from using any name which includes the word "easy". However, in my judgment the test which requires to be established, that is to say that there is a likelihood of deception, is made out in this case not because the defendant has used the word "easy" but because of the four elements which I have already described as part of the livery or get-up of the claimants.”

69) The consideration of the similarity also has to take into account the nature of the goods and services and the concept of imperfect recollection. The services of the registration are the sort where there will be a very careful and cautious purchasing decision; where because of the various financial services acts and money laundering legislation forms will have to be carefully completed. The average consumer will have plenty of time to consider the trade marks of the registration. Owing to the divergence in the trade marks I do not consider that imperfect recollection is going to have an effect on the issue of similarity.

70) I have no hesitation in coming to the conclusion that the trade marks of the registration are not similar to the following trade marks of easyGroup :

**EASY EVERYTHING**

easy extras )  
easyExtras ) a series of four  
EASY EXTRAS )  
EASYEXTRAS )



71) I turn now to the trade mark EASY. In *The European Ltd v The Economist Newspaper Ltd* [1998] ETMR 307 Millet LJ commented upon the issue of distinctiveness in relation to likelihood of confusion:

“Although he did not have the benefit of the decision, he did in my opinion faithfully carry out the instructions of the European Court of Justice in *Sabel BV v. Puma AG* [1998] E.T.M.R. 1 to the effect that:  
"The likelihood of confusion must be appreciated globally, taking into account all factors relevant to the circumstances of the case. That global appreciation of the visual, aural or conceptual similarity of the marks in question must be based on the overall impression given by the marks, bearing in mind in particular their distinctive and dominant components . . . the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either *per se* or because of the reputation it enjoys with the public. The more distinctive the earlier mark, the greater will be the likelihood of confusion."  
The converse, of course, follows. The more descriptive and the less distinctive the major feature of the mark, the less the likelihood of confusion.”

It is an issue that has been dealt with under the old law and under passing-off. The word of Lord Simons in *Office Cleaning Services Ltd v Westminster Window & General Cleaners* [1946] 63 RPC 39 at 43 still hold true:

“It comes in the end, I think, to no more than this, that where a trader adopts words in common use for his trade name, some risk of confusion is inevitable. But that risk must be run unless the first user is allowed unfairly to monopolise the words. The Court will accept comparatively small differences as sufficient to avert confusion. A greater degree of discrimination may fairly be expected from

the public where a trade name consists wholly or in part of words descriptive of the articles sold or the services to be rendered.”

72) The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (European Court of First Instance Case T-79/00 *Rewe Zentral v OHIM (LITE)*). 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, judgement of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

73) Mr Roberts relies on EASY in particular in relation to *financial and insurance services*. For such services the trade mark could readily be used in a descriptive fashion, especially taken into account that the adjectival form of the word is often used instead of the adverbial form. I note that the trade mark has been published and so OHIM must assume that it has some distinctive character, whether by nature or nurture I do not know. Taking into account the exceptionally limited nature of any distinctiveness, I have no hesitation in deciding that the relevant public, for most part, will readily be able to distinguish it from the trade marks of the registration; especially when there is no evidence of use of this trade mark. As was argued by Mr Roberts EASYLIFE, as a whole is a well known phrase and so distances itself from EASY.

74) The one area of concern that I have is if the trade mark is used in relation to life assurance services. In normal and fair use one could end up with EASY life assurance. Ms McFarland argued that someone asking for life assurance sold under B&W's trade mark would ask for EASYLIFE life assurance. I accept that this is likely to be the case. Life assurance is the sort of thing that is bought after very careful consideration and normally after professional advice. However, in use for life assurance I cannot turn away from the conclusion that the trade marks would be similar. **Therefore, I consider that there is a similarity in relation only to the *life assurance* services of the registration. Of course, the effect of this decision is contingent upon the registration of the trade mark in respect of the class 36 services.**

#### **Conclusion on likelihood of confusion**

75) The European Court of Justice in *Sabel* held:

“In that connection, it is to be remembered that Article 4(1)(b) of the Directive is designed to apply only if, by reason of the identity or similarity both of the marks and of the goods or services which they designate, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”



There has to be a similarity of trade marks and goods. In this case, in relation to the registered trade mark easyLife I have found that the trade marks are virtually identical and that there is a high degree of similarity with *banking services*. **Consequently, *banking services* will be deleted from the specification.**

76) If EASY is registered then there is a degree of similarity of trade marks and identical services. The European Court of Justice held that a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*). In use in relation to life assurance services easyGroup's trade mark is likely to be very similar to B&W's trade mark. Consequently, easyGroup do not have to even rely upon the interdependency principle **If easyGroup's EASY trade mark is registered for the class 36 services, B&W's registration will be cancelled in respect of *life assurance services*.**

#### **Passing-off – section 5(4)(a) objection**

77) 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 by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade. In this case the rule of law relied upon by easyGroup is the law of passing-off.

78) I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC in the *Wild Child case* [1998] 14 RPC 455. In that decision Mr Hobbs stated that:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

.....Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that; “To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff 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 feature 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 successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact. In arriving at the conclusion of fact as to whether deception or confusion is likely, the court 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 plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (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 is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or 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.””

79) It is well established that the relevant date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2003] EWCA Civ 1132. In this case there has been use of B&W’s trade mark. However, it has only been used in relation to savings accounts, and so not the whole gamut of the specification. It is also use within a very specific context, the B&W environment, it has not been used in a stand alone context. In these circumstances I do not consider that the nature of the use is such that it can be defined as representing the behaviour complained of. That must be the filed trade mark and the filed specification, what might be described as the idealised tradè mark. In these circumstances I consider that the relevant date will need to be the date of the filing of the application. Section 5(4)(a) is derived from article 4(4)(b) of First Council Directive 89/104 of December 21, 1998 which states:

“rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark”.

80) I note anyway that Mr Roberts in his skeleton argument looked to 24 June 2000 as the relevant date.

81) Mr Roberts claims a goodwill in financial services, I have dealt with the evidence in relation to this in paragraph 12 above. It is possible for promotional activity to give rise to a goodwill (see *BBC v Talbot Motor Co Ltd* [1981] FSR). However, I do not consider that the evidence before me puts easyGroup on a par with the BBC. The proposed financial services are not defined. Talks to find a partner are set up and breakdown. easyGroup have not even fixed upon a sign to use in relation to the services. All the evidence is cuttings from the press. The evidence falls a long way short of establishing a reputation or goodwill in relation to financial services of any kind and certainly does not establish what sign would be used in relation to them. At the hearing I reminded Mr Roberts of Pumfrey J's comments in *South Cone Inc. v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19:

"There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s 11 of the 1938 Act (see *Smith Hayden (OVAX) (1946)* 63 RPC 97 As qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date."

The evidence falls a long way short of this.

82) There is a goodwill in a passenger airline business which uses the trade mark easyJet. A goodwill in an Internet café business in London and possibly Edinburgh which uses the trade mark easyEverything. At the relevant date there might just have been a goodwill in a car rental business which uses the trade mark easyRentacar. Mr Roberts appeared to rely on the effect of the use of EASY prefixed trade marks as a whole to sway his case. This runs into the problem first of all as to who owned the goodwill of the businesses at the relevant date. Despite Mr Rothnie's comments about the transfer of goodwill, goodwill resides in a business so if the trade marks were assigned but the businesses were still separate legal entities they still owned their goodwill separately. Mr Rothnie seems very coy in actually describing the relationship of the various companies. It would seem a simple enough thing to effect. From the evidence before me I cannot see that easyGroup are on a par with the position in *Dawnay, Day & Co Ltd v Cantor Fitzgerald*

*International* [2000] RPC 669. It is also to be noted that the assignments of the trade marks took place well after the relevant date.

83) On a trade mark to trade mark basis I cannot see that easyGroup can do better under passing-off than it did in relation to likelihood of confusion. I cannot see that easyJet or easyRentacar are any closer to the trade marks of the registration than easyEverything. The kernel of Mr Roberts' case seems to me the EASY element. This runs into the problem of whether there is a commonly owned goodwill. However, putting that issue to one side one runs into other problems. There is the fact that the common element is non-distinctive. One is very much back to the issues of *Office Cleaning Services Ltd v Westminster Window & General Cleaners*. I cannot see any relationship between an air passenger airline, a car rental business and an Internet café business and financial services. There is no evidence to suggest that there is one.

84) In *Harrods v Harrodian School* [1996] RPC 697 Millett LJ states:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services”

In the same case he goes on to state:

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

and

“The name "Harrods" may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything.”

In *Stringfellow v McCain Foods (G.B.) Ltd.* [1984] RPC 501 Slade L.J. said:

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

85) Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 said that the claimant must prove:

“That he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill by reason of the defendants selling goods which are falsely described by the trade name to which the goodwill attaches.”

**86) The absence of a common field of activity, the difference in the signs and the non-distinctive nature of the common EASY element are all enough for me to reject the claim under passing-off, without even considering the issue of whether there is a commonly owned goodwill.**

### Costs

87) Ms McFarland requested that in considering the costs I should take into account those grounds, rights and that evidence which was not relied upon at the Hearing by Mr Roberts. I do not consider that it is appropriate to penalise one side for dropping grounds, not relying upon certain evidence or earlier rights at a hearing. This would almost be to encourage Counsel to pursue courses that they do not need to. What is relevant, in my view, is whether grounds were clearly unsustainable at the commencement and/or evidence irrelevant; whether one side has been put to needless trouble and expense by the other. *Rizla Ltd's Application* [1993] RPC 365 confirms that in the matter of costs the registrar has a wide discretion. In *BUD and Budweiser Budbräu Trade Marks* [2002] RPC 38, Mr Simon Thorley QC, sitting as a deputy judge of the High Court, accepted that off the scale costs could be awarded where a side had behaved unreasonably or put in a large amount of evidence that is of little or no relevance.

88) The earlier rights which easyGroup listed were in my view excessive. However, I am not certain that B&W would have been put to a great deal of trouble in going through them. Nevertheless, B&W would have had to do some unnecessary work in checking through all the earlier rights. I do not see that the dropping of a section 5(3) ground put B&W to any great trouble. Ms McFarland complained that the section 3(1)(b) and (c) grounds was originally against all the services but honed down by Mr Roberts to attacking life assurance services. I have checked paragraph 6 of the statement of case of easyGroup and it clearly only attacks life assurance services. Certainly the evidence, and especially the exhibits, of easyGroup could have been better presented and more strictly to the point. These are factors that I will take into account when making an award of costs. However, the allocation of costs will be dependant to some extent on the success or otherwise of the sides. As part of easyGroup's partial success rests with an unregistered trade mark I cannot yet decide the exact allocation.

**89) I have decided that *banking services* will be deleted from the specification. If the Community Trade Mark application for EASY is registered for the class 36 services it currently encompasses *life assurance services* will also be deleted from the specification.**

**90) I direct that easyGroup advise me within one month of the final determination of Community trade mark application no 1699792 of the outcome of the application. On receipt of this information a supplementary decision will be issued giving a full determination of the opposition proceedings and making an award of costs.**

**Dated this 27<sup>TH</sup> day of August 2003**

**David Landau  
For the Registrar  
the Comptroller-General**