

O/059/18

TRADE MARKS ACT 1994

**TRADE MARK REGISTRATION No. 3160084
IN THE NAME OF 360 CONSULT LIMITED**

AND

APPLICATION No. 501357

BY FOURFRONT GROUP LIMITED

TO INVALIDATE THE REGISTRATION OF THE TRADE MARK

AND

TRADE MARK APPLICATION 3143809

BY FOURFRONT GROUP LIMITED

AND

OPPOSITION No. 406583

BY 360 CONSULT LIMITED

Background and pleadings



1. These consolidated proceedings concern:

(a) Opposition 406583 by 360 Consult Limited to application 3143809 filed on 11th January 2016 by Fourfront Group Limited (“Fourfront”) to register





as a trade mark in classes 35, 37 & 42. The grounds of opposition are that (a) the mark is devoid of any distinctive character, (b) use of the mark would be contrary to Consult’s common law rights dating from 2015 in **360 CONSULT** (in plain word and logo forms) and, (c) the application was made in bad faith.

(b) Trade mark 3160084 - **360 CONSULT** - which was filed on 18th April 2016 by Helen Gowland. The name of the applicant was subsequently changed to 360 Consult Limited (“Consult”) on 22nd June 2016, purportedly without any change in the legal ownership of the trade mark. The mark was subsequently registered on 26th August 2016 in the relation to services in classes 35, 37 & 42.

(c) Application 501357 by Fourfront Group Limited (“Fourfront”) to invalidate Consult’s trade mark 3160084. This is based on three earlier trade marks consisting of **360 DESIGN STUDIOS**, **360 WORKPLACE** and , as well as associated common law rights in the  mark.

2. The parties filed counterstatements denying the grounds of opposition and invalidation, respectively, put forward by the other party. I note, in particular, that:

- In the opposition, Fourfront admitted Consult’s claim that the  mark is confusingly similar to the **360 CONSULT** mark and covers identical or similar goods;
- Fourfront claims to have used the  mark since 2007, i.e. 8 years prior to Consult’s claimed first use of **360 CONSULT**;

- Fourfront put Consult to proof that the **360** mark is devoid of any distinctive character and/or was filed in bad faith.
- In the invalidation, Consult denied that **360 CONSULT** is similar to any of Fourfront's earlier trade marks, or that there is any likelihood of confusion or other detriment to those marks;
- Consult claimed that it has been using the **360 CONSULT** mark since July 2015 and had built up a reputation in the UK;
- Consult stated that it received a letter from Fourfront in February 2016 claiming rights in 360 and objecting to Consult's use of **360 CONSULT**;
- Consult denied that Fourfront was entitled to a monopoly in 360 marks, claiming that 360 is descriptive of the services;
- Consult says that Fourfront did not pursue its objection to the use of **360 CONSULT** in April 2016, or file opposition, but later filed the application to have the registration declared invalid.

Representation

3. Fourfront is represented by Hansel Henson Limited, solicitors. Consult is represented by Gannons, solicitors. A hearing was held on 16th January 2018 at which Ms Ashton Chantrielle appeared as counsel for Fourfront. Ms Denise McFarland appeared as counsel for Consult.

The evidence



4. Consult's evidence consists of two witness statements by Helen Gowland who is a director of Consult. Fourfront's evidence consists of a witness statement by James Cornwell. Mr Cornwell is a director of Fourfront Holdings Limited, which is Fourfront's parent company.

5. In her first witness statement, Ms Gowland says that Consult commenced business in 2015 and started using 360 CONSULT in July 2015 in relation to *"refurbishment projects for commercial and new buildings, advisory and design services, all under classes 35, 37, 42."* According to Ms Gowland, Consult operates

in Essex, but also has an internet presence. She goes on to claim that Consult's customers come from a wide geographical area of the UK.

6. Ms Gowland confirms that Fourfront wrote to Consult on 25th February 2016 expressing concern about the launch of a website at <http://360consult.uk>. A copy of the letter is in evidence.¹ It was from James Cromwell who identified himself as a director of Fourfront Group Limited, the proprietor of UK registered trade mark 360 DESIGN STUDIOS. Mr Cromwell stated that 360 Design Studios was a design studio owned by his company which specialised in workplace analysis and design services. Fourfront was concerned about the risk of confusion because these appeared to be the same services advertised on the website for 360 CONSULT. The letter invited Consult to re-brand its services.


7. Ms Gowland also exhibits the reply to Fourfront's letter, which came from Gannon's solicitors on 13th April 2016.² The reply denied that there was a likelihood of confusion. It asserted that a search on Google revealed a number of businesses using the 360 element of Fourfront's mark. It denied that Fourfront was entitled to a monopoly in that element and threatened to invalidate Fourfront's registration of 360 DESIGN STUDIOS on the basis of non-distinctiveness and/or earlier rights.

8. Ms Gowland states that "*The Applicant [Fourfront] is in competition with us and operates in the same industry. At all times the Applicant [Fourfront] was aware of our presence as their competitor.*" She goes on to note that Fourfront applied to register 360 WORKPLACE and  in classes 35, 37 and 42. In that context, Ms Gowland expressed concern that if Fourfront is permitted to register  it will gain enough legal protection to enable it to prevent further use of 360 CONSULT. In her view, this would give Fourfront an unfair advantage and harm the recognition that Consult gets from using 360 CONSULT.

9. Mr Cromwell states that his evidence "*... is drawn from my own knowledge and experience.*" He explains that a subsidiary of Forefront, originally called 360 Design

¹ See exhibit HG1-OPP


² See HG1-OPP

Studios Limited, was incorporated in 2006. It changed its name to 360 Workplace Limited on 16th November 2015. According to Mr Cromwell, the subsidiary initially used only 360 DESIGN STUDIOS, but the business quickly became known as “360.” So in June 2007 the company adopted the  mark. The logo mark was subsequently also used on letters and marketing materials etc. to identify the business. The use of the logo continued after the name of the company changed to 360 Workplace in 2015.

10. Mr Cromwell says that services provided under the marks “*are summarised in Company accounts as “consultancy, specialising in the design of commercial interiors”.*” The annual reports of the subsidiary for 2007 to 2016 are in evidence.³ I note that the description of the business in the Director’s reports for 2007 to 2013 correspond with Mr Cromwell’s evidence. There is no such description in the accounts for 2014 or 2015. In the accounts to April 2016, the activity of the business is described as “*specialised construction services.*”

11. The subsidiary’s business generated turnover of around £4m between 2007 and 2016. Turnover grew in each of the years 2007 to 2013 (to almost £1m per annum in 2013) before declining to £760k in 2014, after which it reduced sharply to £136k in 2015 and only £40k in 2016.


12. Mr Cromwell provides what he says is a representative sample of uses of the 360 DESIGN STUDIOS and  marks over the years in communications with customers, which he identifies as firms of surveyors and construction companies. Mr Cromwell states that the company has an impressive client list including Anglo American plc, Cable & Wireless and the London 2012 Olympic Games.

13. Exhibit 3 to his statement consists of a Powerpoint presentation illustrating the company’s work by reference to the Shepherds Bush Housing Group. The document in evidence includes prominent use of the  and 360 DESIGN STUDIOS marks. According to pages obtained from Wayback Machine showing the website

³ See exhibit 1 to Mr Cromwell’s statement

www.360ds.co.uk as it looked in March 2012,⁴ Shepherds Bush Housing Group was a client at that time. Other historical pages from the website of the subsidiary company show the same marks in use between 2012 and 2014.⁵ Mr Cromwell's evidence also includes:

- A Furniture Proposal document from 2007;⁶
- A Space Needs Proposal for Eastleigh Borough Council from 2009;⁷
- A Design Consultancy Services Proposal for West Kent Housing Association from 2012;⁸
- An Office Fit-Out Proposal for Fladgate LLP from 2013.⁹

All of these documents show use of the 360 DESIGN STUDIOS and  marks.

14. I note that the Office Fit-Out Proposal states that *"360 Design Studios is one of four independent businesses that form Fourfront Group."*¹⁰

15. Referring to the letter he wrote to Consult in February 2016, Mr Cromwell says that he did not pursue the objection to the use of 360 CONSULT because he could find no evidence that the use of the mark had commenced. I assume that what he means by this is that he could find no use of the 360 CONSULT mark other than on the website about which he had complained.

16. Ms Gowland's second statement was filed in reply to Mr Cromwell's evidence. In her second statement, Ms Gowland states that:

"3. 360 Consult Ltd provides advisory, consulting design and refurbishment services; it is a consultancy as is inherent in its name for which 360 Consult has a trademark obtained on 18th April 2016.

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5. 360 Consult provides estates strategies, workplace strategies,

⁴ See exhibit 5 at page 233 of the evidence

⁵ See exhibit 5

⁶ See exhibit 8

⁷ See exhibit 9

⁸ See exhibit 10

⁹ See exhibit 7

¹⁰ See page 243 of the evidence

design briefing, change management and user research, to understand how space can support an organisation's needs. We use background knowledge in both architecture and psychology to assist in creating environments which people will enjoy and allow people to be productive.

6. Fourfront advertises itself on its website <https://twitter.com/FourfrontGroup> as being a leading workplace specialist, providing workplace consultancy, design & fit-out services and furniture solutions. It presents as a design business rather than a consultancy. Being focused on implementation and fit-out, the offering appears to be more physical than the offering of 360 Consult.”

17. As evidence that Consult started trading in 2015, Ms Gowland provides a copy of an invoice dated 28th August 2015 for £7128 addressed to Kings College London.¹¹ The invoice bears the company name 360 Consult Limited and the logo shown below.



This logo is the one of the two earlier rights relied on by Consult in these proceedings (the other being the numeral and word 360 CONSULT). The invoice was in relation to services for setting up the “AQ project”. It is not clear what the purpose of this project was. Ms Gowland also provides a copy of Consult’s annual accounts to 31st July 2016. I note that these accounts cover a 12 month period that ends over 6 months after the relevant date in the opposition proceedings. They show sales of £237k during the 12 months concerned. The business is described in the Director’s report as ‘business consultancy’.


¹¹ See exhibit HG2-OPP4

18. Turning to Consult's use of its marks, Ms Gowland states:

"14. I accept that Fourfront's '360 Design Studios' has used a logo containing '360' prior to 360 Consult's incorporation. However they also wish to use this logo to represent '360 Workplace'.

15. The use of the '360' logo submitted by Fourfront along with the words 'Design Studios' or 'Workplace' within it, is not objectionable. In fact 360 Consult does not object to the application of registration of "360 Workplace"."

Consult's opposition to Fourfront's trade mark application 3143809

19. It is convenient to start with Consult's opposition to Fourfront's application to register the  mark. The mark is proposed to be registered in relation to:

Class 35: Business relocation services; purchasing goods and services for other businesses, all for use in relation to commercial premises including offices, shops, light industrial buildings, warehouses and catering establishments; retail services connected with the sale of furniture and furnishings for offices and commercial establishments.

Class 37: Advisory services relating to the construction of buildings; real estate development and advisory, information and consultancy services relating thereto; building and construction services; construction project management services; property development; advisory services relating to building refurbishment; interior refurbishment of buildings; building refurbishment services; interior decoration; interior fitting-out of buildings; renovation, restoration, repair and decoration of buildings; supervision of building construction, restoration and renovation; installation of electrical and electronic appliances; installation and re-installation of furniture and furnishings; maintenance and repair of buildings and utilities in buildings; maintenance and repair of parts and fittings for buildings; repair, installation and maintenance of plumbing, heating and gas systems; maintenance and

installation of plumbing, heating, flooring and ceilings, wall coverings, joinery, partitions, security systems, air conditioning systems, lighting and units for cooking, washing, drying, refrigeration, freezing, ventilation and water treatment; all relating to commercial premises including offices, shops, light industrial buildings, warehouses and catering establishments.

Class 42: Design services, all relating to interior or exterior decoration and furnishing of buildings, construction of buildings, interiors of buildings, exteriors of buildings, outdoor recreation areas and to sculptural, decorative and functional arrangements of outdoor areas; advisory, information and consultancy services relating to all the aforesaid services; design of layouts of buildings; design of layouts of building interiors; all relating to commercial premises including offices, shops, light industrial buildings, warehouses and catering establishments; architectural services; land and building surveying; construction planning; planning and laying out commercial properties.

Devoid of any distinctive character?

20. Section 3(1) states that 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.”


21. The principles to be applied under article 7(1)(b) of the EU Trade Mark Regulation (which is identical to article 3(1)(b) of the Trade Marks Directive and s.3(1)(b) of the Act) were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG*¹² as follows:

“29..... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.


31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck v OHIM*, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67).”

22. It became apparent at the hearing that Consult regarded 360 as equivalent to 360°. On behalf of Consult, Ms McFarland submitted that the  mark was devoid of any distinctive character because “*the numbers alone are descriptive and lacking in sufficient inherent distinctiveness in relation to....the services. Merely alluding to an all round view or full perspective etc.*”

¹² Case C-265/09 P

23. Ms Chantrielle complained that the basis of Consult's objection had been set out for the first time only in Ms McFarland's skeleton argument. In any event, she submitted that there was no proper basis for the objection and, even if there was, Fourfront's mark had acquired distinctive character through use prior to the date of the application for registration.

24. The notice of opposition asserts that the  mark is devoid of any distinctive character, but the only explanation for the claim is in the attached statement of grounds which includes the following two paragraphs under the heading 'Comparison of signs'.

"17. In the UK, the word 360 will be understood as meaning 'full circle or all the way around'. The numbers 360 within the signs at issue have an identical meaning. Conceptually the signs are identical or highly similar.

18. Furthermore, [Fourfront's] sign is devoid of any distinctive character and consist exclusively of a sign which is commonly used in the trade and normally used to refer to a surrounding space and view. All uses of the term '360' are predominantly used in the trade and correspond with the characteristics of the services of [Fourfront]."

25. This appears to cover the same point as that set out in Ms McFarland's skeleton. Therefore, despite the fact that the basis of the distinctiveness objection appears to have been mixed up with Consult's comparison of the parties' trade marks in the notice of opposition, I reject Fourfront's complaint that it has been denied the opportunity of dealing with these points prior to the hearing.

26. However, I agree with Ms Chantrielle that the explanations provided are insufficient to support the s.3(1)(b) objection. Indeed the explanation offered consists of an amalgamation of different points. Firstly, it is suggested that 360 is commonly used in the trade. However, no objection was taken under s.3(1)(d) and no evidence was tendered in support of the claim. Secondly, it is claimed that 360 is "*normally used to refer to a surrounding space and view*" and "*will be understood as meaning*

full circle or all the way around” which “*correspond[s] with the characteristics of the services.*” However, no objection was taken under s.3(1)(c) and Consult has not explained how the first two statements lead to the result that ‘360’ or ‘360°’ corresponds with which characteristics of the services set out in paragraph 19 above. Assuming that the objection is encapsulated in Ms McFarland’s submission that 360 is “*alluding to an all round view or full perspective*” and speculating that it is being suggested that 360 is therefore a means of designating the quality of building construction and design services, I reject this objection. As Ms McFarland’s submission acknowledges, 360 does no more than allude to the “*all round view or full perspective*” of the services at issue. No other basis has been identified for Consult’s objection that 360 is devoid of any distinctive character. I therefore reject the s.3(1)(b) ground of opposition.

The passing-off right claim

27. Section 5(4)(a) states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

28. In *Discount Outlet v Feel Good UK*,¹³ Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, stated that:

¹³ [2017] EWHC 1400 IPEC

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

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

The relevant date for assessing Consult’s passing-off right

29. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*,¹⁴ Mr Daniel Alexander QC, as the Appointed Person, considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“39. In *Last Minute*, the General Court....said:

‘50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.’

¹⁴ BL O-410-11

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.



41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):



- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: “date of commencement of the conduct complained of”. If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’ ”


30. Ms McFarland submitted that the relevant date is 9th July 2015, which is when Consult started trading. That appears to be the relevant date for assessing Fourfront’s s.5(4)(a) ground for the invalidation of Consult’s registration of 360 CONSULT. However, subject to Fourfront being able to rely on the goodwill generated by the business of its subsidiary 360 Designs Studios Limited (now 360 Workplace Limited), the first relevant date for assessing Consult’s s.5(4)(a) case against Fourfront’s  trade mark appears to be in 2007 when that mark was first used. This was 8 years before Consult claims any use of 360 CONSULT. Therefore, if I accept Mr Cromwell’s evidence as to the existence of goodwill under , and

Fourfront is entitled to rely on the earlier use of  by its subsidiary, Consult's s.5(4)(a) case is bound to fail. This is because, applying the principles of seniority set out in *Croom's TM* (which is no more than a statement of long established case law), Consult was not entitled to sue Fourfront at the date on which the use of  commenced and the use of the mark has been continuous since then. Consequently, Consult would not have been in a position to sue Fourfront in January 2016 when it filed its application to register the mark.

31. Ms McFarland cautioned me about accepting Mr Cromwell's evidence. She pointed out that he identifies himself as a director of Fourfront Holdings Limited (Fourfront's parent company) rather than Fourfront itself, and yet purports to give evidence about the business of Fourfront's subsidiary, 360 Design Studios Limited. Ms Chantrielle pointed out that no challenge had been made to Mr Cromwell's suitability to give evidence on behalf of Fourfront prior to the hearing. If there had been a challenge, Fourfront would have had the opportunity to clarify Mr Cromwell's relationship to Fourfront and 360 Design Studios Limited (now 360 Workplace Limited).




32. I consider Ms Chantrielle's complaint is well founded. Not only did Consult make no criticism of Mr Cromwell's standing to give evidence on behalf of Fourfront when responding to his evidence, Ms Gowland gave the impression that she accepted the truth and probative value of his evidence when she stated in paragraph 14 of her statement in reply that:


"I accept that Fourfront's '360 Design Studios' has used a logo containing '360' prior to 360 Consult's incorporation."

33. In these circumstances, it was untenable for Ms McFarland to submit that I should be wary of accepting Mr Cromwell's evidence as to the use made of the  mark by 360 Design Studios Limited. In any event, Mr Cromwell says in terms that his evidence comes from his own knowledge and there has been no request to cross examine him on his statement. Further, Consult appears to rely on Mr Cromwell's pre-action letter and the lack of follow-up opposition as a factor in its

favour in resisting Fourfront's application to invalidate its 360 CONSULT trade mark. In doing so Consult itself appears to attribute Mr Cromwell's state of knowledge to that of Fourfront. I see no reason to doubt Mr Cromwell's evidence, all the more so since it is supported by contemporaneous documents. In short, I see nothing in the criticism of Mr Cromwell's evidence.

34. Returning to the application of the law of passing-off, I acknowledge that there may be an exception to the general principle that the senior user of a mark prevails over a junior user where the nature and scope of the senior users' use changes after a junior user has established an independent parallel goodwill, and that change creates a likelihood of deception where none existed before. However, there is no evidence that Fourfront's business changed between July 2015, when Consult started trading, and January 2016 when Fourfront made its application for registration.

35. Consult's position appears to be that Fourfront is only entitled to 360 in combination with DESIGN STUDIOS or WORKPLACE, not alone. However, the evidence shows that Fourfront's subsidiary has used the  mark alone since 2007, as well as part of 360 DESIGN STUDIOS. Mr Cromwell explains that this was because customers quickly started referring to 360 DESIGN STUDIOS business as just '360'. This is entirely credible given that 'Design Studios' is entirely descriptive of a business said to be "*specialising in the design of commercial interiors.*" '360' is the only distinctive element of the 360 DESIGN STUDIOS mark. I therefore accept that  was distinctive of that business in 2007 and remained so in 2015 when Consult started trading. That was also the case at the date of the application for registration in January 2016. This means that even if Consult could have established its own junior goodwill under 360 CONSULT in a business providing *advisory, consulting design and refurbishment services*, a passing off action brought in January 2016 would have been bound to fail if brought against a person entitled to the benefit of the senior goodwill established under the  mark.

36. Ms McFarland submitted that Fourfront is not such person. This is because any goodwill created under  would have belonged to its subsidiary company. This is

another point that emerged for the first time at the hearing. In my view, there is nothing in this point either. It is true that, absent agreement to the contrary, goodwill belongs to the business that the public regards as being responsible for the goods or services provided. In this case that would have been mainly 360 Designs Studios Limited (now 360 Workplace Limited). However, I note that the 360 DESIGN STUDIOS mark was registered in Fourfront's name and used by its subsidiary company. It would be farfetched to imagine that the subsidiary was thereby infringing the mark of its parent company. It was obviously using the mark with the consent of Fourfront. I therefore infer that the group decided that Fourfront should hold the intellectual property rights on behalf of its trading subsidiaries. That is a perfectly normal arrangement. Therefore, if necessary, I would have been prepared to infer that this arrangement also extended to the goodwill generated by 360 Design Studios Limited.

37. However, I do not think that I need to go that far in order to deal with Ms McFarland's point. This is because, firstly, the evidence shows that the connection between 360 Design Studios Limited and Fourfront was revealed in public facing material.¹⁵ In these circumstances, it is well arguable that Fourfront is entitled to a share in the goodwill. And whether or not that is right, I do not consider that a court would uphold a passing-off action brought by Consult against Fourfront in circumstances where (a) it is the parent company of 360 Workplace Limited, (b) that company was a competitor of the claimant and owned a senior goodwill to that of the claimant. I remind myself that the relevant question in the opposition is not whether Fourfront would have been entitled to succeed in a passing-off action against Consult, but whether Consult would have succeeded against Fourfront. In my view, the answer to that question is plainly 'no'. This is because, even if Consult has established its goodwill by January 2016, the inequity of allowing a junior user of a mark to succeed against the parent of a company that owns a senior goodwill under a similar mark, and would therefore probably be entitled to sue the claimant for passing-off, would have led to the rejection of Consult's claim. The ground of opposition under s.5(4)(a) fails accordingly.

¹⁵ See paragraph 14 above

The bad faith ground

38. Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

39. The law in relation to section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* as follows:¹⁶

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C- 529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of

¹⁶ [2012] EWHC 1929 (Ch)

probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or

acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.


42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.


45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

40. Consult's grounds of opposition claim that:


- At all times Fourfront was aware of Consult's presence as its competitor;
- Fourfront "abandoned" its objection to the Consult's use of 360 CONSULT;
- Fourfront is not using the opposed mark and has no *bona fide* intention to do so;
- If the  mark is registered it would give Fourfront an unfair advantage over Consult by providing it with the legal right to prevent use of 360 CONSULT.


41. Fourfront knew of Consult when Mr Cromwell wrote to it in February 2016. It is not clear whether Fourfront knew of Consult when it filed its trade mark application in January 2016. It may have done. Mr Cromwell's evidence is that he could not find any use of the 360 CONSULT mark, other than on Consult's website. I accept his evidence on that point.

42. The claim that Fourfront was not using the opposed mark is wrong on the evidence, at least to the extent that the mark was being used by Fourfront's subsidiary and (I would hold) with its consent.

43. On the face of it, it is hard to see what Fourfront's position on Consult's use of 360 CONSULT has to do with whether Fourfront's application to register the opposed mark was filed in bad faith. The point seems to be that Fourfront's failure to follow through its complaint about Consult's use of 360 CONSULT disentitled it from applying to register  in good faith. The argument seems to be that Fourfront's application is a tactical (and somewhat underhand) mechanism to improve Fourfront's legal right to object to Consult's use of 360 CONSULT in the future.

44. I have serious difficulties with this claim. Firstly, the evidence shows that the opposed mark was in use at the date of the application for registration. Secondly, if the allegation is understood as referring to the fact that the mark was being used by Fourfront's subsidiary, not by Fourfront itself, this would be irrelevant if the use was consensual, as I have held that it was. Thirdly, even if the application was intended

to improve Fourfront's legal rights vis-à-vis Consult, there is nothing wrong with a party using the procedures available to it under the law to its maximum benefit: that definitely includes applying to register a trade mark where (a) it is in use, and (b) the applicant has a legitimate interest in protecting the mark from third party use of a confusingly similar mark. Fourthly, the application to register  actually preceded Mr Cromwell's letter of February 2016 to Consult. So given that the filing date of Fourfront's application is the relevant date for assessing the bad faith claim, events following Mr Cromwell's letter cannot possibly be relevant anyway. Fifthly, an allegation of bad faith is a serious allegation to make. It was wholly inappropriate for Consult to make such an allegation in this case on the basis of such flimsy, unjustified and confused allegations.

45. I therefore have no hesitation in rejecting the bad faith ground of opposition. This means that all the grounds of opposition have failed. The opposition to the  mark is therefore rejected.

Fourfront's application to invalidate Consult's trade mark 3160084

46. The relevant parts of s.47 are as follows:

“47(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.

(2A) to (2E) -

(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) –

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

(6)-”

47. Fourfront’s grounds for invalidation are based on s.5(2)(b), s.5(3) and s.5(4)(a) of the Act.


The ground of invalidation based on s.5(2)(b) of the Act

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

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.


49. Fourfront relies on these three earlier trade marks.

Number	Trade mark	Classes of services	Filing date	Registration date
2635354	360 DESIGN STUDIOS	Class 42	18/09/12	03/01/13
3143807	360 WORKPLACE	Classes 35, 37 & 42	11/01/16	20/05/16
3143809		Classes 35, 37 & 42	11/01/16	-

None of the marks are subject to the proof of use requirements in s.47(2A) of the Act.

Comparison of the services


50. The respective services are shown below.

360 CONSULT	 and 360 WORKPLACE
<p>Class 35: The bringing together, for the benefit of others, a variety of home and office furnishings, enabling customers to conveniently view and purchase those goods from a department store or from an Internet web site or via mail order or catalogues all specialising in interior decoration; Business management; Advisory, consultancy and information services relating to all of the aforesaid.</p> <p>Class 37: Building construction; Painting and decorating; <i>Cleaning services</i>; Building refurbishment; Maintenance and repair of parts and fittings for buildings.</p>	<p>Class 35: Business relocation services; purchasing goods and services for other businesses, all for use in relation to commercial premises including offices, shops, light industrial buildings, warehouses and catering establishments; retail services connected with the sale of furniture and furnishings for offices and commercial establishments.</p> <p>Class 37: Advisory services relating to the construction of buildings; real estate development and advisory, information and consultancy services relating thereto; building and construction services; construction project management services; property development; advisory services relating to building refurbishment; interior refurbishment of buildings; building refurbishment services; interior decoration; interior fitting-out of buildings; renovation, restoration, repair and decoration of buildings; supervision of building construction, restoration and renovation; installation of electrical and electronic appliances; installation and re-installation of furniture and furnishings;</p>

<p>Class 42: Interior design services; Commercial interior design; Furnishing design services; Information services relating to the combination and harmonisation of colours, paints and furnishings for interior design; Interior space planning services; Architectural services; Land and building surveying; Construction planning; Planning and laying out properties; Advisory, consultancy and information services relating to all of the aforesaid.</p>	<p>maintenance and repair of buildings and utilities in buildings; maintenance and repair of parts and fittings for buildings; repair, installation and maintenance of plumbing, heating and gas systems; maintenance and installation of plumbing, heating, flooring and ceilings, wall coverings, joinery, partitions, security systems, air conditioning systems, lighting and units for cooking, washing, drying, refrigeration, freezing, ventilation and water treatment; all relating to commercial premises including offices, shops, light industrial buildings, warehouses and catering establishments.</p> <p>Class 42: Design services, all relating to interior or exterior decoration and furnishing of buildings, construction of buildings, interiors of buildings, exteriors of buildings, outdoor recreation areas and to sculptural, decorative and functional arrangements of outdoor areas; advisory, information and consultancy services relating to all the aforesaid services; design of layouts of buildings; design of layouts of building interiors; all relating to commercial premises including offices, shops, light industrial buildings, warehouses and catering establishments; architectural services; land and building surveying; construction planning; planning and laying out commercial properties.</p>
<p>360 CONSULT</p>	<p>360 DESIGN STUDIOS</p>
<p>As above.</p>	<p>Class 42: Design services, all relating to interior or exterior decoration and furnishing of buildings, construction of buildings, interiors of buildings, exteriors of buildings, outdoor recreation areas and to sculptural, decorative and functional arrangements of outdoor areas; advisory, information and consultancy services relating to all the aforesaid services; design of layouts of buildings; design of layouts of building interiors; all relating to commercial premises including offices, shops, light industrial buildings, warehouses and catering establishments; architectural services; land and building surveying; construction planning; planning and laying out commercial properties.</p>

51. In *Gérard Meric v OHIM*,¹⁷ the General Court stated that:

“29.the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

52. The same applies to descriptions of services. Applying this guidance, I find that, with the exceptions set out below, the services covered by 360 CONSULT mark are identical to the services covered by the 360 WORKPLACE and  marks.


53. The exceptions are that:

- Consult's mark covers retail services relating to *home* and office furnishings, whereas Fourfront's marks only cover retail services relating to furnishings for offices and commercial establishments.
- Consult's mark covers *cleaning services* in class 37. The closest services covered by Fourfront's mark appears to be *maintenance and repair of buildings and utilities in buildings*.

54. Retail services relating to *home* furnishing are similar in nature, purpose and method of use to retail services relating to *office* furnishing. These services are therefore highly similar. Maintenance of *buildings and utilities in buildings* means maintaining things in working order, not cleaning as such. However, there is likely to be some overlap, e.g. unblocking sinks could be seen as being both cleaning and maintenance. There is therefore a degree of similarity in the nature and high level purpose of the services. Further, although these particular services were not discussed at the hearing, the parties were content to proceed on the basis that all the respective services in classes 35, 37 and 42 were identical or similar. I therefore

¹⁷ Case T- 133/05

find that there is a medium degree of similarity between *cleaning services* and *maintenance and repair of buildings and utilities in buildings*.

55. In Consult's pleaded s.5(4)(a) case for opposing Fourfront's trade mark 3143809, Consult claimed that all the services covered by the  mark were identical or similar to the services for which it claimed to have used 360 CONSULT. It identified these as being:

“Design services, all relating to interior or exterior decoration and furnishing of buildings, construction of buildings, interiors of buildings, exteriors of buildings, outdoor recreation areas and to sculptural, decorative and functional arrangements of outdoor areas.”

56. Fourfront's earlier 360 DESIGN STUDIOS mark covers these services and also:

“Advisory, information and consultancy services relating to all the aforesaid services; design of layouts of buildings; design of layouts of building interiors; all relating to commercial premises including offices, shops, light industrial buildings, warehouses and catering establishments; architectural services; land and building surveying; construction planning; planning and laying out commercial properties.”

57. Accordingly, on the basis of Consult's pleadings in the opposition, it would seem to follow that all the services covered by Consult's registration 3143809 are identical or similar to the services in class 42 covered by Fourfront's registration 2635354 of 360 DESIGN STUDIOS. However, for present purposes it is sufficient to find that the services covered by class 42 of Consult's registration are identical or highly similar to the services covered by the corresponding class of Fourfront's earlier trade mark 2635354.

Global comparison

58. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

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

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

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

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

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

Distinctive character of the earlier marks

59. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* the CJEU stated that:


“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in *Joined*


Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

60. For the reasons I have already given, I do not regard 360 to be descriptive or otherwise non-distinctive in relation to the services covered by the earlier marks. At most, 360 may be taken as meaning 360° and may therefore be seen as an allusion to (as opposed to a description of) the quality of the design services in class 42 and the advisory and consultancy services in class 37. On this basis I find that the numeral has a below average level of distinctive character in relation to these services. I see no reason why I should afford the numeral 360 any less than an average degree of inherent distinctiveness in relation to the remaining services.

61. The DESIGN STUDIOS element of the 360 DESIGN STUDIOS mark is descriptive and non-distinctive of the services in class 42 and the advisory and consultancy services in class 37, which are of a kind liable to be provided by a design studio. Therefore, 'design studio' describes a type of business, not a particular business. The WORKPLACE element of the 360 WORKPLACE mark is also descriptive, or at least non-distinctive, in relation to services for designing or advising on workplaces. This means that neither of these marks has more than an average degree of distinctive character in relation to the services for which they are registered.

62. The earlier  mark consists of more than the numeral 360, but not much more. In any event, it is the level of distinctiveness of the numeral 360 that counts because this is the only element in common with Consult's trade mark. Therefore, my findings at paragraph 60 above apply also to this trade mark.

63. I am not persuaded that any of the earlier marks had acquired a high level of distinctive character as a result of their use prior to the relevant date. The annual turnover under the marks never amounted to more than a tiny fraction of the relevant market(s). Additionally, I note that the use of 360 DESIGN STUDIOS ceased in 2015 and the extent of the use of this mark and the  mark went into sharp decline after 2014.

Average consumer and the selection process

64. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*. I find that the average consumer of the services covered by the 360 CONSULT mark is likely to be either a member of the general public or a business. In reality the latter are likely to be most usual type of consumer. Such consumers are likely to pay an above average degree of attention when selecting the services at issue.

65. The services are likely to be selected primarily by eye from brochures, presentations, internet sites etc. but word of mouth recommendations and enquiries are also likely to play a part in the selection process.

Comparison of marks


66. As the CJEU stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by

means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

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

67. The respective trade marks are shown below:

<p>360 DESIGN STUDIOS</p> <p>360 WORKPLACE</p> 	<p>360 CONSULT</p>
<p>Earlier trade marks</p>	<p>Contested trade mark</p>


68. The numeral 360 is the first element of 360 DESIGN STUDIOS, 360 WORKPLACE and 360 CONSULT. This means that this element will strike the consumer first and make the most impression when the marks are seen or heard.¹⁸ Further, although they are not negligible in the visual and aural impacts made by the marks as wholes on consumers, the words ‘DESIGN STUDIOS’, ‘WORKPLACE’ and ‘CONSULT’ are all descriptive and/or lacking in distinctiveness in relation to the services at issue.¹⁹

69. In my view, there is a medium degree of visual and aural similarity between the contested mark and the earlier marks when considered as wholes. However, I find that 360 is the most dominant element of all the marks, and the only element with

¹⁸ In *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, the General Court noted that the beginnings of word tend to have more visual and aural impact than the ends.

¹⁹ I note that Consult’s witness appears to acknowledge that ‘Consult’ is descriptive of the services it provides where she states in her evidence that “[Consult] is a consultancy as is inherent in its name for which 360 Consult has a trademark”

any distinctive character for most of the services in classes 37 and all those in class 42. Additionally, if 360 is taken as meaning 360^o, as Consult contends, then there is also a high degree of conceptual similarity between the marks as wholes.

70. The numeral 360 is the dominant and distinctive element of the  logo mark. It follows that there is a high degree of overall similarity between the logo mark and 360 CONSULT.

Likelihood of confusion


71. I have taken into account the above average level of attention paid by average consumers of the services at issue and the below average degree of distinctive character of 360 for most of the services. However, I find that the degree of similarity between each of the earlier marks and the 360 CONSULT mark is sufficient to create a likelihood of confusion if the respective marks are used in relation to identical or similar services. In particular, there is a likelihood of confusion through consumers imperfectly recollecting 360 CONSULT as one of Fourfront's marks, or vice versa.

72. Further, I find that there is also a likelihood of indirect confusion amongst those consumer who do notice and recall the differences between the parties' marks. In *L.A. Sugar Limited v By Back Beat Inc.*²⁰ 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

²⁰ Case BL O/375/10

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.”

73. The ‘something in common’ in this case is the numeral 360, which I have found is the most dominant and distinctive element of all the marks. It is true that 360 is not highly distinctive. However, where the other elements of the marks have less or no distinctive character, the use of 360 as the first or primary element of each of the marks is sufficient to give the impression that these are variant marks used by the same undertaking (as indeed is the case with the 360 DESIGN STUDIOS, 360 WORKPLACE and  logo marks). In these circumstances, Consult’s argument that 360 is not particularly distinctive, or distinctive at all, must be rejected. As the CJEU stated in rejecting a similar argument in *L’Oréal SA v OHIM*:²¹

“45. The applicant’s approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders.”

74. For the reasons given above, I find that the registration of Consult’s mark was contrary to s.5(2)(b) of the Act. The registration is therefore invalid.


²¹ Case C-235/05 P

The s.5(3) and s.5(4)(a) grounds for invalidation

75. In these circumstances, I see no need to examine the further grounds for invalidation under s.5(3) and s.5(4)(a) of the Act.

76. Finally, I should record that Ms McFarland's skeleton argument included a suggestion that by failing to oppose the registration of CONSULT 360 after becoming aware of the use of that mark, Fourfront had somehow consented to the registration. However, when I pressed her on this point at the hearing, Ms McFarland clarified that she was not running an argument that Fourfront had formally consented to the registration for the purposes of s.5(5) of the Act, or that Fourfront was estopped from bringing an application for invalidation. As Ms McFarland rightly observed, neither of those points had been pleaded. Therefore, there is no need for me to say any more about them.

Outcome

77. Consult's opposition to application 3143809 fails. The  mark will proceed to registration.


78. Fourfront's application to invalidate trade mark 3160084 succeeds. The registration of that mark is declared invalid and cancelled in total.

Costs

79. As Fourfront has succeeded in the opposition and in the invalidation, it is entitled to a contribution towards its costs. Ms Chantrielle asked for the costs awarded to be towards the high end of the published scale. This was because Consult had caused Fourfront additional costs by its "*constant amendment and refiling of documents in this case.*" This was said to have led to a number of amended statements of grounds and yet still left Consult's case unclear.

80. I note from the case file that Consult did indeed require three attempts to get its notice of opposition in order and this led to Fourfront having to file an amended counterstatement. However, I also note that Fourfront required three attempts to get its application for invalidation in order and that this led to Consult having to file two amended counterstatements. I do not therefore think that Fourfront is in a position to criticise Consult's behaviour in this regard.

81. I have more sympathy with Fourfront's complaint that Consult's case was still unclear, even after the amendments, and that this led to additional costs and inconvenience. Indeed, I note that Ms Chantrielle's skeleton argument had to meet a prospective s.5(2) ground against her client's application, although she was not sure it was being run. It appeared that it might be being run because Consult presented the narrative of its s.5(4)(a) case as though it were a s.5(2) case. Additionally, the basis of the s.3(1)(b) and s.3(6) grounds were confused and unclear.

82. This should have been a straightforward case. The parties appear to agree that at least some of their marks are confusingly similar and that they trade in the same or similar services. Fourfront is the senior user of the disputed mark -  - and this and its other marks have earlier filing dates than Consult's mark. Therefore, a conventional application of the usual principles was virtually certain to result in Fourfront succeeding. The case has been complicated by Consult running hopeless and/or unclear grounds of opposition and, by raising for the first time at the hearing, objections to the probative value of Mr Cromwell's evidence and a rather technical point about the precise ownership of the goodwill generated within the Fourfront group of companies. These complications have increased costs. I will therefore award costs towards the high end of the scale to partially compensate Fourfront for having to deal with the additional cost caused by the unclear and moving nature of Consult's case.

83. I assess the costs as follows:

£600 – Considering the notice of opposition and preparing a counterstatement;

£600 - Preparing an application for invalidation and considering the counterstatement;

£200 – official fee for TM26(I);

£600 – for filing evidence and considering Consult's evidence;

£1500 – for attending a hearing and providing a skeleton argument.

84. I therefore order 360 Consult Limited to pay Fourfront Group Limited the sum of £3500. This should be paid within 14 days of the end of the period allowed for appeal or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings (subject to any order made therein).

Dated this 25th day of January 2018

**Allan James
For the Registrar**