

O-541-20

TRADE MARKS ACT 1994

IN THE MATTER OF CONSOLIDATED PROCEEDINGS INVOLVING:

**FIVE TRADE MARK APPLICATIONS (NOS. 3371413, 3371440, 3371441,
3371445, 3371412)**

IN THE NAME OF

BIGHIT ENTERTAINMENT CO., LTD.

FOR MARKS WHICH CONSIST OF THE FOLLOWING:



**AND OPPOSITIONS (NOS. 416799, 416803, 416804, 416805, 416980) THERETO
(RESPECTIVELY)**

BY CANONGATE BOOKS LIMITED

AND

A TRADE MARK APPLICATION (NO. 338852)

IN THE NAME OF CANONGATE BOOKS LIMITED FOR THE MARK:



**AND OPPOSITION (NO. 417650) THERETO
BY BIGHIT ENTERTAINMENT CO., LTD.**

Background and pleadings

1. These consolidated proceedings concern six trade mark oppositions between Canongate Books Limited (“Canongate”) and BigHit Entertainment Co., Ltd.(“BigHit”), who essentially oppose each other’s trade mark applications. Five oppositions are brought by Canongate against applications to register trade marks in the name of BigHit. A further opposition is brought by BigHit against an application to register a trade mark in the name of Canongate.

BigHit’s applications

2. The details of the trade mark applications filed by BigHit are as follows:

UK 3371412 (opposition no. 416980)

(“the Class 9 Application”)



Filing date: 30 January 2019

Date of publication: 29 March 2019

Class 9: *Goggles; emergency and rescue apparatus; batteries and battery chargers; apparatus for broadcasting, recording, transmission or reproduction of sound, data or images; CDs; DVDs; downloadable multimedia files; mounting devices for cameras and monitors; protective shoes; physical and chemical laboratory apparatus and instruments; range finders for golf; sunglasses; eyeglasses; swimming face masks; electrified fences; electricity measuring apparatus and instruments; electronic cables; blank record disks; electronic apparatus and instruments for recording and/or reproducing music; ear phones; headphones; covers for smartphones; computer programs and software; recorded computer game software; downloadable game programs, provided from online; downloadable smart phone application (software); computer hardware and computer peripheral devices; integrated circuit chips for use in smart cards; video*

game cartridges and cassettes; helmets; protective suits [against accident or injury]; phonograph records; downloadable music files; DVD featuring music and music performances; downloadable digital video recordings; electronic coupons; animated cartoons; electronic publications, downloadable.

UK 3371413 (opposition no. 416799)

("the Class 16 Application")



Filing date: 30 January 2019

Date of publication: 29 March 2019

Class 16: *Adhesives for stationery and household use; stickers and sticker albums; paper patterns; packing [cushioning, stuffing] materials of paper or cardboard; typewriters and office requisites [except furniture]; plastic materials for packaging; labels of paper or cardboard; flags and pennants of paper; disposable housebreaking pads of paper or cellulose for pets; fitted toilet lid covers of paper; paper tissues; school supplies [stationery]; passport cases; boxes of paper or cardboard; paper bags; paper covers for upholstery; graphic prints; printed matter (except books and periodicals); graphic representations; paper for printing photographs; books; printed publications.*

UK 3371445 (opposition no. 416805)

("the Class 35 Application")



Filing date: 30 January 2019

Date of publication: 29 March 2019

Class 35: *Providing business and marketing information; brand management; business management of performing artists; talent agency services [business management of performing artists]; retail store services featuring confectionery; retail store services featuring processed coffee; retail store services featuring*

cosmetics; retail store services featuring stationery; retail store services featuring stickers and sticker albums; retail store services featuring bags; retail store services featuring cushions; retail store services featuring footwear; retail store services featuring umbrellas; retail store services featuring key rings [split rings with trinket or decorative fob]; retail store services featuring eyeglasses; retail store services featuring watches; retail store services featuring ear phones; retail store services featuring computer programs for pre-recorded games; retail store services featuring toys (playthings); retail store services featuring outerclothing; retail store services featuring hats; retail store services featuring mufflers; retail store services featuring shirts; retail store services featuring socks; retail store services featuring phonograph records; retail store services featuring pre-recorded music electronic media; retail store services featuring books; retail store services featuring paper for printing photographs; online retail services relating to confectionery, processed coffee, cosmetics, stationery, stickers and sticker albums, bags, cushions, footwear, umbrellas, key rings [split rings with trinket or decorative fob], eyeglasses, watches, ear phones, computer programs for pre-recorded games, toys (playthings), outerclothing, hats, mufflers, shirts, socks, phonograph records, pre-recorded music electronic media, books and/or paper for printing photographs.

UK 3371440 (opposition no. 416803)

("the Class 38 Application")



Filing date: 30 January 2019

Date of publication: 29 March 2019

Class 38: *Providing access to Internet portal services via smart phone applications; internet portal services; transmission, broadcasting and reception of audio, video, still and moving images, text and data; transmission of data, audio, video and multimedia files, including downloadable files and files streamed over a global computer network; electronic transmission of sound, images and other data and information of all kinds; providing online forums for the transmission of messages, comments and multimedia content among users; providing streaming services of*

movies/music/video/gaming and multimedia content; transmission of videos, movies, pictures, images, text, photos, games, user-generated content, audio content, and information via the Internet; transmission of video/audio via the mobile and internet; radio, television and cable broadcasting services; wireless internet broadcasting; broadcasting of audiovisual and multimedia content via the Internet; television and radio broadcasting services; music broadcasting; internet broadcasting specializing in on-line games; interactive broadcasting.

UK 3371441 (opposition no. 416804)

("the Class 41 Application")



Filing date: 30 January 2019

Date of publication: 29 March 2019

Class 41: *Providing facilities for movies, shows, plays, music or educational training; ticket reservation and booking services for entertainment, sporting and cultural events; entertainment services; training and instruction; entertainment services performed by singers; planning of entertainment performances; fan club services relating to entertainers; production of audio recordings; providing audio or video studios; rental of audio recordings via internet online; provision of non-downloadable electronic publications; publication of books, periodical publications, magazines, newspapers and newsletters; providing online non-downloadable comic books and graphic novels; nightclub services [entertainment]; organizing and conducting exhibitions for entertainment, cultural or educational purposes; artists education; education and training services relating to the music and entertainment industries; dance academies; game services provided on-line from a computer network; nondownloadable on-line game services; photography; arranging of displays for entertainment purposes.*

3. As it can be seen, BigHit's applications concern the same trade mark but in different classes.

Canongate opposes BigHit's applications on the basis of Section 5(4) (a) of the Trade Marks Act 1994 ("the Act"). This is on the basis of its alleged earlier rights in the following signs that it claims to have used throughout the UK since 2005:



Canongate claims that the signs have been used for *books, printed publications, marketing materials, digital media, electronic publications, posters, catalogues, stationery, mobile phone applications, software, audio books, postcards, envelopes, social media, websites, discussion forums, blogs, bookmarks, CDs, downloadable multimedia files, graphic prints, stickers and stickers albums, entertainment events, literacy events, book signings, club nights* and it has acquired goodwill under the signs. Use of the trade marks applied for would therefore be a misrepresentation to the public and result in damage to the aforementioned goodwill.

4. BigHit filed counterstatements denying the claims made.

Canongate's application

5. The details of the trade mark application filed by Canongate are as follows:

UK 338852 (opposition no. 417650)



Filing date: 02 April 2019

Date of publication: 14 June 2019

Class 9: *Books recorded on disc; Books recorded on tape; Audio books; Digital books downloadable from the Internet; Downloadable electronic books; Talking books.*

Class 16: *Book covers; Book jackets; Book markers; Book marks; Booklets; Bookmarkers; Bookmarks; Books; Books featuring fantasy stories; Books featuring fictional stories; Books for children; Activity books; Baby books; Baby books [storybooks]; Blank journal books; Children's books; Children's books incorporating an audio component; Coloring books; Coloring books for adults; Colouring books; Comic books; Commemorative books; Cook books; Cookery books; Drawing books; Educational books; Fantasy books; Fiction books; Flip books; Gift books; Graphic art books; Guide books; Information books; Jackets of paper for books; Manuscript books; Music books; Non-fiction books; Note books; Painting books; Paper book markers; Picture books; Pop-up books; Printed booklets; Printed books; Printed music books; Recipe books; Reference books; Series of fiction books; Series of non-fiction books; Song books; Story books; Travel books; Travel guide books.*

Class 41: *Book and review publishing; Book publishing; Electronic online publication of periodicals and books; On-line publication of electronic books and journals; On-line publication of electronic books and journals (non-downloadable); On-line publication of electronic books and journals [not downloadable]; Online electronic publishing of books and periodicals; Online publication of electronic books and journals; Providing on-line reviews of books; Publication and edition of books; Publication of audio books; Publication of booklets; Publication of books; Publication of books relating to entertainment; Publication of books, magazines, almanacs and journals; Publication of books, reviews; Publication of educational books; Publication of electronic books and journals on-line; Publication of electronic books and journals online; Publication of electronic books and periodicals on the Internet; Publication of lyrics of songs in book form; Publication of music books; Publication of online guide books, travel maps, city directories and listings for use by travellers, not downloadable; Publication of periodicals and books in electronic form; Publication of text books; Publishing of books; Publishing of books and reviews; Publishing of books, magazines; Publishing of electronic books and journals on-line; Publishing of electronic books and journals online; Publishing of instructional books; Publishing services for books; Publishing services for books and magazines; Books (Publication of -); Services for the publication of books; Services for the publication of guide books.*

6. BigHit opposes Canongate's application on the basis of Section 5(2)(b) of the Act. This is on the basis of BigHits' earlier filed applications covering goods and services in classes 9, 16 and 41. BigHit claims that the marks are similar and that all the goods/services covered by its earlier marks are identical/similar to all the goods/services covered by Canongate's application.

7. Canongate filed a counterstatement in which it conceded that the marks are similar. It also conceded that the goods and services are similar.

8. Both parties filed evidence in these proceedings. BigHit also filed written submissions. Canongate filed evidence in reply. This will be summarised to the extent that it is considered necessary. A Hearing took place on 22 September 2020, by video conference. Ms Karen Veitch of Lincoln IP represented Canongate. Ms Jacqueline Reid of Counsel, instructed by Penningtons Manches Cooper LLP, represented BigHit.


THE EVIDENCE

Canongate's evidence-in-chief

9. Canongate's evidence-in-chief consists of a witness statement by Kathleen Gibb dated 19 November 2019 with 20 Exhibits (KG01-KG20). Ms Gibb says that she is Canongate's Chief Operative Officer and that she held this position since August 2017. Prior to that, she was employed by Canongate as Finance Director for three years, since July 2014. Ms Gibb states that her statement comes from her personal knowledge or is derived from the records of Canongate.

10. Paragraphs 3, 14, 15 and 16 and exhibits KG03, KG05, KG06, KG14 and KG20 of Ms Gibb's witness statement contain commercially sensitive information not in the public domain, and following a request by Canongate under Rule 59 of the Trade Marks Rules 2008, with no objection by BigHit, the Registry directed on 28 January 2020 that those passages be kept confidential to the Registrar, Canongate, BigHit and the parties' representatives, and not be open to public inspection. Accordingly, these parts of Ms Gibb's evidence have been redacted from the public version of this decision with a full un-redacted copy being sent to the parties.

11. The following facts emerge from Ms Gibb's evidence:

- Canongate is an independent publishing company founded in 1973. Initially focused upon Scottish interest books, the company subsequently broadened its approach and now publishes the work of authors from throughout the world. Canongate has published many high-profile works of both fiction and non-fiction, including the bestselling *Dreams from my Father* by Barack Obama, and books by international revered authors;
- In addition to printed books, Canongate has published numerous audio books and e-books;
- Canongate gained particular fame in 2002 with the publication of the book entitled *Life of Pi* by Yann Martel. This became the biggest selling Booker Prize winner ever, selling more than 10 million copies worldwide;
- The logo  ("the Canongate logo") was first used by Canongate in 2005. The logo is used in red, white or black although other colours are sometimes used for the background on which the logo is being displayed;
- In 2018, Canongate published 136 new books and sold 784,000 units of these. In 2018 Canongate sold 1,468,420 printed books, 293,000 e-books and 280,000 audio books;
- The Canongate logo is displayed on the spine of all books published by Canongate. It is also displayed on Canongate's website and on social media. At the date of the witness statement, Canongate's Facebook account had 6,656 followers, their Twitter account had 56,000 followers and 10,600 likes, and their Instagram feed had 7,521 followers;
- Canongate and its authors have won many awards. Canongate was named "Publisher of the Year" in 2003 and 2009;

- Canongate regularly arranges literacy events and tours at bookshops, festivals and other venues in order to promote its authors and books. The Canongate logo is used on all the marketing material designed to promote these events, as well as on posters and other material displayed at the events themselves;
- The Canongate logo is widely used on promotions, display materials and catalogues for sale conferences, International Right Fairs and the Frankfurt, London and Bologna Trade Book Fairs;
- Annual sales figures and turnover figures are provided. They outline the number of printed books, e-books and audio books bearing the Canongate logo which were sold between 2005 and 2018 and the turnover generated by those sales. Advertising figures are also provided; these are said to reflect the sums invested on promoting “Canongate’s goods and services”;
- Books published by Canongate are sold online, via Amazon and other online retailers, as well as through UK booksellers, independent stores and third parties distributors, including Waterstones, Blackwell, Gardener’s, Foyles and in locations across Europe and elsewhere;
- In 2013 Canongate celebrated 40 years of publishing. To mark the occasion, Canongate held key events and published a 40th book with contributions from some of its authors;
- Canongate annually attends the main trade fairs for the publishing industry in London and Frankfurt. In 2018, the Frankfurt Bookfair had 258,024 visitors and 7,503 exhibitors from across the world;
- Nielson Bookscan UK are the leading provider of sale data for books sold through UK till points and ranks Canongate’s performance.

12. The following documents are contained within the exhibits attached to Ms Gibb’s witness statement:

- 1) images of spines of books that are said to have been published by Canongate between 2005 and 2018, together with copies of books' pages which display information about copyright and publishing (Exhibits KG01, KG04, KG05, KG06). They show the Canongate logo prominently displayed on the spine of a large number of books;
- 2) extracts from the records of The Book Service, which is described as Canongate's distributor and warehouse service (Exhibit KG03). They contain a number of tables described by Ms Gibb as "*records from December 2018 which shows title lists and gross sales for 2018 published printed books and all digital sales sold in 2018*", however, it is not clear whether all of the book listed are books published by Canongate;
- 3) a table headed "*Selection of titles from each year with attached illustration of logo on spine and life UK sales of that edition only*" (Exhibit KG05). The table lists 40 books published between 2005 and 2018 with the following quantity being provided: [REDACTED] between 2005 and 2008; [REDACTED] between 2009 and 2011; [REDACTED] between 2012 and 2013; [REDACTED] between 2014 and 2016 and [REDACTED] between 2017 and 2018. The price and sale value are also reported; however, they do not tally with the result one would expect to obtain by multiplying the quantity by the corresponding purchase price. The exhibit also contains images of the spines of the books listed, all of which display the Canongate logo;
- 4) images of printed books described by Ms Gibb as "*books by musicians and people in the public eye [that Canongate] have published over the years together with their sale data*" (Exhibit KG06). The exhibit includes information about 20 books. For each book, the exhibit provides sale data as well as images of the book's back and front cover and copyright pages. The Canongate logo is always displayed on the spine of the books; some of the books also display it on the back cover within the words Canongate. The price, where visible, is in sterling. A number of books are written by personalities which, even without evidence on the point, I accept would be well-known in the UK, e.g. Barack Obama who indeed served as President of the USA from 2009 to 2017, or are British actors and/or comedians and would have some degree of fame and notoriety in the UK. From the figures provided within this exhibit, the following information can be extrapolated: (a) sales of a book entitled *How music works* were [REDACTED]. This book was published in 2012 and 2013; (b) sales of a book

entitled *Forever Words* were [REDACTED]. This book was published in 2016 and 2018; (c) sales of a book entitled *The Flame* were [REDACTED]. This book was published in 2018; (d) sales of three books entitled *Death of Bunny Murro*, *Gospel According to Mark* and the *Sick Bag Song* were [REDACTED]. These books were published between 2009 and 2016; (e) sales of three books entitled *The Nigger Factory*, *The Vulture* and *The Last Holiday* were [REDACTED]. These books were published between 2000 and 2017; (f) sales of a book entitled *Beneath the Underdog* were [REDACTED]. This book was published between 1998 and 2011; (g) sales of a book entitled *The Story of Looking* were [REDACTED]. This book was published in 2017; (h) sales of a book entitled *My Father's son* were [REDACTED]. This book was published in 2014; (i) sales of a book entitled *Guillamesque* were [REDACTED]. This book was published in 2017; (l) sales of two books entitled *The First Bad Man* and *No One Belongs Here More Than You* were around [REDACTED]. These books were published between 2008 and 2015; (m) sales of a book entitled *Little Me* were [REDACTED]. This book was published in 2017 and 2018; (n) sales of a book entitled *Room to Dream* were [REDACTED]. This book was published in 2018; (m) sales of three books entitled *Dreams From My Father*, *Change We Can Believe In* and *The Audacity Of Hope* were [REDACTED]. These books were published between 2007 and 2016; (n) sales of a book entitled *How not to be a boy* were [REDACTED]. This book was published in 2017 and 2018; (o) sales of a book entitled *Young Windstone* were [REDACTED]. This book was published in 2014 and 2015. Most of these books were made into audio books and/or e-books;

- 5) copies of screenshots from Canongate's website and social media pages (Exhibit KG07). The exhibit contains a table showing the number of users as follows: 125,764 (2014), 138,236 (2015), 116,777 (2016), 119,089 (2017) and 129,292 (2018);
- 6) photographs showing examples of CD books published by Canongate (undated). The Canongate logo is always displayed above the words Canongate (Exhibit KG08);
- 7) online articles corroborating the evidence that Canongate won the UK Independent Publisher of the Year award in 2003 and 2009 (Exhibit KG09);
- 8) Examples of advertising material including catalogues, billboards and material for book fairs, as well as examples of business cards, headed papers,

bookmarks and carrier bags, all of which display the Canongate logo (Exhibits KG10-KG13, KG16 and KG17);

- 9) a page from a report which is said to be *“from the end of year report for 2018 from [Canongate] distributor and warehouse service, The Book Service, detailing the sales for year to 31 December 2018 in quantity and value from our top 40 retailers”*. The total annual net value of the sales for 2018 is [REDACTED]. This corresponds to the total turnover provided by Ms Gibb in her witness statement (which include books, e-books and audio books) for the same year (Exhibits KG14);
- 10) copies of letters from various individuals from the book industry confirming that Canongate is a well-known publishing company and that the Canongate logo is a distinctive part of the brand (Exhibit KG18);
- 11) a table purported to show statistics from Nielson Bookscan UK, ranking Canongate’s performance in term of UK sales. Canongate’s performance fluctuated from [REDACTED] (in 2005) to [REDACTED] (in 2018) in the rank (Exhibit KG20) with a total of [REDACTED] units sold between 2005 and 2018.

BigHit’s evidence-in-chief

13. Ms Gibb’s evidence was heavily criticised in the written submissions filed on behalf of BigHit on 17 February 2020. BigHit’s evidence is intended to provide further support for these criticisms. It consists of a short witness statement by Holly Jane Strube dated 14 February 2020 with 4 exhibits (HJS1-HJS4). Ms Strube is a senior associate at Penningtons Manches Cooper LLP. Her witness statement is a vehicle for introducing the following exhibits:

- Exhibit HJS1: consists of images of the first edition of the book *“Life of Pi”* from 2002. Ms Strube points out that the book has been sold bearing a C logo on the spine, rather than the Canongate logo;
- Exhibit HJ2: is intended to challenge Ms Gibb’s statement that *“The Canongate logo is visibly located on the spine of all physical books sold by the firm”*. It includes, inter alia, images of books (including *“Life of Pi”*) displaying the

Canongate logo on the spine; where visible, the logo appears both with and without the words Canongate underneath;

- Exhibit HJ3-4: are intended to show that “*certain books in KG04 [and KG05] of [Ms Gibb’s] are sold with a different book cover*” to those shown in Canongate’s evidence. They show two books displaying the Canongate logo with the word Canongate underneath.

Canongate’s evidence-in-reply

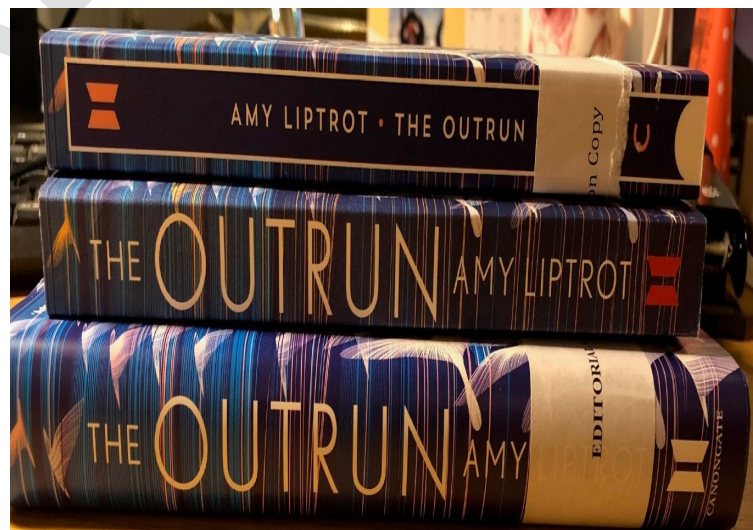
14. Canongate’s evidence-in-reply consists of a second witness statement by Kathleen Gibb dated 29 July 2020 with two exhibits (KGS1-KGS2).

15. In response to BigHit’s criticism that Canongate did not produce any invoices, Ms Gibb explains that in accordance with the established practice in the publishing trade, they do not issue sale invoices but sell their books to booksellers through Grantham Book Services (GBS), a third-party warehouse and distributor owned by Penguin Random House Distribution, the UK leading book distributor. KGS1 consists of webpages from various websites¹ about GBS. The content of the webpages confirms that GBS is the leading third-party distributor for independent publishers in the UK, distributing books for over 40 independent publishers, including Canongate.

16. In its written submissions, BigHit challenged Ms Gibb’s statement that the Canongate logo is visibly located on the spine of all books published by Canongate. It stated: “[...] *the spines and covers of certain books may vary from one edition to another meaning that the examples provided in [Canongate]’s evidence may not correspond with the (uncorroborated) sales figures provided*” and “*the evidence invariably show [Canongate]’s signs being used as part of or in conjunction with prominent and distinctive source identifiers such as Canongate, Canongate Books or Meet at the Gate. Consumers will perceive these verbal references/elements as being determinative of origin*”. In reply the points made by BigHit in its evidence and submissions, Ms Gibb states that:

¹www.penguin.co.uk, www.thebookservice.co.uk, www.thebookseller.com

- 1) the edition of the book *Life of Pi* shown at Exhibit HJS1 was printed in 2002, and the book *William Gillies* by Joanna Soden shown at Exhibit HJS2 was published in 1998 and is now out of print. This is prior to the first use of the mark in 2005;
- 2) the sale figures provided do not include second-hand resale of books;
- 3) in late 2015 the decision was taken that only the logo would be used on the spines of the books published by Canongate as it gave a cleaner, simpler and more modern look;
- 4) Ms Gibb believes that the last time Canongate used both the word and the logo was around June 2016;
- 5) the Canongate logo has always been used as an indication of origin;
- 6) even if the word Canongate is located elsewhere on the cover of the books, this is irrelevant since books are displayed with the spine facing out;
- 7) publishers may have multiple imprints and use different imprint names or logos to address different consumer segments. One of the imprints used by Canongate is the “Canons list” whose logo is the letter C. The books published under the Canon list imprint display both the Canongate logo (placed at the top of the spine, rather than the bottom of it) and the letter C logo (placed at the bottom of the spine). Exhibit KGS2 provides images of different editions of the book *The Outrun*, including an edition showing the Canongate logo with the word Canongate underneath it, an edition showing the Canongate logo alone and an edition showing both the Canongate logo and the letter C logo:



- 8) in response to the point made by Ms Strube that certain books are sold with a different cover from that shown in Ms Gibb's evidence, Ms Gibb states that it is perfectly normal in the publishing trade that different editions of the same books can have different covers.

The approach

17. Given that BigHit's applications are the first in time, and, furthermore, that three of BigHit's applications are used as a basis to oppose Canongate's application, I will start with the oppositions to BigHit's applications.

THE OPPOSITIONS TO BIGHIT'S APPLICATIONS NOS. 3371413, 3371440, 3371441, 3371445, 3371412 (OPPOSITIONS NOS. 416799, 416803, 416804, 416805, 416980)

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

“(4) 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, where the condition in subsection (4A) is met,

(aa)

(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.”

19. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of

application for registration of the trade mark or date of the priority claimed for that application.”

20. In *Discount Outlet v Feel Good UK*,² Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“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).”

21. Halsbury’s Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 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 [2017] EWHC 1400 IPEC

(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."

The relevant date

22. There is no indication that the applicant's marks have been used prior to the application dates and therefore the only relevant date is the date of the applications³, namely 30 January 2019.

Goodwill

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

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

24. At the hearing, Ms Reid presented BigHit's case focusing on four main issues, namely: 1) *the question of what is the sign relied upon and when it is used from*; 2) *the question of what is Canongate trading in and who is the relevant consumer for those goods and services*; 3) *the question of what is the evidence which proves that the relevant indicia have trade mark significance to the relevant consumer*; and 4) *the test for misrepresentation*. Those are indeed all issues which fall to be considered when assessing whether Canongate has acquired a passing off right in the UK associated with the logo. I will do so.

25. First of all, it is clear from the evidence that Canongate is a well-established and independent publishing company. It has published and sold books in the UK since 1973. The activity of a book publisher consists in making authors' manuscripts

³ *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O410-11

available to the public for sale. This would involve activities such as preparing a book, including editing, typography and cover design, as well as sales and marketing campaigns to build public interest. As regards the activity of bookselling, Ms Gibb explains that Canongate's titles are sold online, via Amazon and other online retailers, as well as through UK booksellers, independent stores and third-party distributors.

26. One of the points raised by Ms Reid was that Canongate did not claim goodwill in relation to its publishing services, but only in relation to, *inter alia*, books. It does not behove me to speculate why Canongate did not rely on publishing services in its pleadings (and Canongate did not make any request for the pleadings to be amended). However, this is a matter which has to be addressed and to which I will return.

27. The evidence given by Ms Gibb was heavily criticised in the submissions filed on behalf of BigHit on 17 February 2020. Criticisms to Ms Gibb's evidence were reiterated in the skeleton argument and in the oral argument from Ms Reid. Most of these criticisms seek to highlight inconsistencies and gaps within Ms Gibb's evidence as regards the way the logo has been used, in an attempt to counter the claim that the Canongate logo is regarded as distinctive of the trade source by the relevant consumers. At the hearing Ms Reid submitted that Canongate's evidence as to its reputation relates to its reputation as a publisher and its authors, and not in relation to the consumer perception of the books themselves".

28. Further, Ms Reid criticised the evidence given at paragraphs 13 -15 of Ms Gibb's first witness statement for there being no indication of what proportion of the total sale and turnover figures relate to books sold outside the UK. Although I note the argument, the absence of that information is not fatal. There is plenty of evidence which supports Canongate's claims. I refer, in particular, to the evidence⁴ that Canongate has been consistently ranked as being between █████ and █████ in terms of overall UK sales through till points between 2010 and 2018 (with a total of █████ books sold in the period 2005-2018). Although I did not find it easy to navigate through the various tables produced by Ms Gibb, the total figures produced in the table shown at Exhibit KG14, i.e. █████ worth of sale with a total of █████ books sold in 2018, corresponds (with a

⁴ Exhibit KG20

slight variation) to the figures provided at paragraphs 13 of Ms Gibb's statement for the same year, i.e. [REDACTED] worth of sale with a total of [REDACTED] books sold including books, e-books and audio books. Admittedly, the yearly total sales produced at paragraphs 13 of Ms Gibb's first statement are higher than the yearly sales achieved through till points in the UK as shown at Exhibit KG20 (the latter always being between 2/3 and 1/2 of the total sales). This may be explained by the fact that the total sale figures given by Ms Gibb would include online sales and/or export sales. Accordingly, I find that it is possible on the evidence filed to come to the conclusion that at least half of the turnover figures given at paragraph 13 of Ms Gibb's statement relate to books sold in the UK (for examples the number of sale through till points in the UK for 2018 was [REDACTED] whilst the sale figures given by Ms Gibb for the same year were [REDACTED] (of which [REDACTED] were books, [REDACTED] e-books and [REDACTED] audio books) which would correspond to around [REDACTED] worth of UK sales between 2005 and 2018.

29. In addition, Ms Gibb has produced numerous examples of books published by Canongate and has given evidence that Canongate celebrated 40 years of publishing in 2013 and won the UK Independent Publisher of the Year award twice, in 2003 and 2009 (all of which is corroborated by the exhibits to which she refers).

30. Before I draw my conclusions on goodwill, it is important to bear in mind the way the case is pleaded in terms of trading activities, i.e. the fact that Canongate seeks to rely on, *inter alia*, books rather than publishing services. This raises the question of whether the goodwill Canongate has accrued is in its publishing services, or in the books it publishes. As a publishing company, Canongate provides publishing services to authors, by preparing and publishing their manuscripts. However, it is also clear from the evidence that Canongate also trades in the books it publishes, by promoting and selling them, deriving an income from the product of its services.

31. In *Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL, Lord Oliver stated:

“First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying “get-up” (whether it consists simply of a brand name or a

trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services.”

32. Since goodwill is defined in terms of the goods and services that are supplied by a trader, I find that Canongate's goodwill in its business attach to both its publishing services and the books it publishes and sells. The consequence of this is that the relevant class of consumer are those who purchase Canongate's books, i.e. the reading public. The same conclusion was reached in *GAP (ITM) INC v BRITISH AMERICAN GROUP LIMITED*⁵, a case concerned with a mark registered for magazine publishing services, where Mr John Baldwin QC, sitting as a Judge of the Chancery Division, found that customers who bought magazines were a relevant class of consumer:

“9. The Hearing Officer dealt with the identification of the average consumer in paragraph 32:

32) Mr Hicks [for the opponent] submitted that publishing services involve the act of making available to the public and, therefore, the relevant consumer is the general public. He further submitted that such consumers have a low degree of care and attention. I do not agree with these submissions. This is because the average consumer of publishing services will generally be businesses who require the publication of material. It is less likely that members of the general public will be regular consumers of such services, certainly when considering publication of magazines or journals that are not normally compiled by individuals. Secondly, the purchasing process is likely to be reasonably well considered and may involve a relatively expensive procurement of one-off or ongoing services.

⁵ [2016] EWHC 599 (Ch)

10. Mr Malynicz criticised this conclusion of the Hearing Officer. He drew attention to the applicant's evidence which included statements to the effect that the applicant was using the mark applied for on its magazines and exhibited examples of that use. It is clear that the average consumer of those magazines comes from the general public. Miss Reid, on behalf of the applicant, submitted that there was an important legal difference between the consumer of publishing services and the consumer of the product of those services. She submitted that the former was likely to be a business, and the Hearing Officer was correct to so conclude, whereas the latter was a consumer of the product of the purchaser of the services. Whilst accepting that this latter was more likely to be a member of the general public, she pointed out that the application is for a registration in respect of services and not for goods which might be the product of those services.

11. To illustrate her point, Miss Reid gave the hypothetical example of the mark Red Bull registered for "can manufacturing services". She submitted that the average consumer of those services would not be drawn from the general public but might, for example, be a soft drinks manufacturer. She submitted that the fact that such a manufacturer may sell drinks in the cans to the general public does not have the consequence that the average consumer of the can manufacturing service is drawn from the general public.

12. Miss Reid may well be right in the example she gives. But the reason she is right is that the soft drinks manufacturer is not selling the cans to the general public, it is selling the drink within the cans. The cans are merely a disposable receptacle for the product which the consumer is buying.

13. Moreover, the consequence of Miss Reid's submission is that the applicant is not using its mark in relation to the services for which it seeks registration, although it clearly thinks that it is since its managing director said in evidence that it was so doing. Another consequence of Miss Reid's submission is that the Hearing Officer was partly mistaken when he summarised some of the evidence of the applicant in this way:

The applicant has been using its mark on its website since around 2 February 2011 and has featured as part of its domain name since 2008. The evidence at Annex C consists of copies of the front covers of the applicant's magazine, one of which is dated 2010 and features a stylised version of its mark. Use has varied over time, but its mark has never resembled the opponent's "blue square and white lettering form of the opponent's mark".

14. The law of trade marks should take some cognisance of what traders actually think and do. Indeed, the average consumer was created to strike the right balance between various competing interests including, on the one hand, the need to protect consumers and, on the other hand, the promotion of free trade in an openly competitive market (*Interflora v Marks and Spencer* [2014] EWCA Civ 1403, [113]).

15. In this case the applicant is carrying out the service of magazine publishing by producing and distributing magazines (the service for which it seeks trade mark protection) and there is a high degree of correspondence between the carrying out of that service and the magazines which are the end product of that service. I think that a conclusion that a consumer of the product of such a service is not also a consumer of the service is too narrow a perspective and does not accord with practical commerce. In my judgment the Hearing Officer was mistaken to conclude that the average consumer would generally be a business and that the purchasing process may involve a relatively expensive procurement of one-off or ongoing services.”

33. Contrary to what Ms Reid submitted⁶, it would be artificial and wrong to exclude the reading public from the relevant public. This is all of the more so since the primary customers of the books published by Canongate is the reading public and it is from them that Canongate derives its income. Further, in this case, authors should be

⁶ Paragraph 16 of skeleton argument

disregarded, since Canongate did not rely on publishing services in its pleadings (and confusion of authors and/or distributors is not part of Canongate's claim⁷).

34. Canongate also claims that it enjoys goodwill in relation to other goods and provision of events, namely *printed publications, marketing materials, digital media, electronic publications, posters, catalogues, stationery, mobile phone applications, software, postcards, envelopes, social media, websites, discussion forums, blogs, bookmarks, CDs, downloadable multimedia files, graphic prints, stickers and stickers albums, entertainment events, literacy events, book signings, club nights*. With the exception of *printed publications* (which includes books), *digital media, electronic publications, CDs* and *downloadable multimedia files* (all of which covers e-books and/or audio books), there is no evidence that Canongate trades in any of the other goods and services listed. As Ms Reid correctly pointed out, although Exhibit KG12-13 contain some examples of bookmarks and posters, it is clear that any activity Canongate carries out in relation to these goods and services is nothing more than promotional activity intended to build interest in the books it publishes⁸.

Conclusion

35. Taking all the relevant matters in the round, in particular the substantial turnover and the number of books sold, I find that Canongate has demonstrated that it has “*a significant goodwill, in the form of customers*” in the UK and had, at the relevant date, the requisite goodwill upon which to base its Section 5(4)(a) grounds in all five of its oppositions.

Misrepresentation

36. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

⁷ See paragraph 5 of the counterstatement

⁸ See also paragraph 2 of the counterstatement

“There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc. [1990] R.P.C. 341 at page 407* the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd. (1941) 58 R.P.C. 147 at page 175*; and *Re Smith Hayden's Application (1945) 63 R.P.C. 97 at page 101.*”

37. And later in the same judgment:

“.... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

38. In *Lumos Skincare Limited v Sweet Squared Limited and others [2013] EWCA Civ 590*, Lord Justice Lloyd commented on the paragraph above as follows:

“64. One point which emerges clearly from what was said in that case, both by Jacob J and by the Court of Appeal, is that the “substantial number” of people who have been or would be misled by the Defendant's use of the mark, if the Claimant is to succeed, is not to be assessed in absolute numbers, nor is it applied to the public in general. It is a substantial number of the Claimant's actual or potential customers. If those customers, actual or potential, are small

in number, because of the nature or extent of the Claimant's business, then the substantial number will also be proportionately small.”

39. Accordingly, once it has been established that the party relying on the existence of an earlier right under Section 5(4)(a) had sufficient goodwill at the relevant date to found a passing-off claim, the likelihood that only a relatively small proportion of customers, or potential customers would be likely to be deceived does not mean that the case must fail. There will be a misrepresentation if a substantial number of customers, or potential customers, of the claimant's actual business would be likely to be deceived.

40. In *Neutrogena Corporation and Another v Golden Limited and Another*, 1996] RPC 473, Morritt L.J. stated that:

“The role of the court, including this court, was emphasised by *Lord Diplock in GE Trade Mark* [1973] R.P.C. 297 at page 321 where he said:

‘where the goods are sold to the general public for consumption or domestic use, the question whether such buyers would be likely to be deceived or confused by the use of the trade mark is a “jury question”. By that I mean: that if the issue had now, as formerly, to be tried by a jury, who as members of the general public would themselves be potential buyers of the goods, they would be required not only to consider any evidence of other members of the public which had been adduced but also to use their own common sense and to consider whether they would themselves be likely to be deceived or confused.

The question does not cease to be a “jury question” when the issue is tried by a judge alone or on appeal by a plurality of judges. The judge's approach to the question should be the same as that of a jury. He, too, would be a potential buyer of the goods. He should, of course, be alert to the danger of allowing his own idiosyncratic knowledge or temperament to influence his decision, but the whole of his training in the practice of the law should have accustomed him to this, and this

should provide the safety which in the case of a jury is provided by their number. That in issues of this kind judges are entitled to give effect to their own opinions as to the likelihood of deception or confusion and, in doing so, are not confined to the evidence of witnesses called at the trial is well established by decisions of this House itself.”


41. In order to succeed in its claim for passing off, Canongate must prove the distinctiveness of the sign relied on. In other words, it must establish that the Canongate logo is associated in the public mind with its business and is recognised by the public as denoting specifically its goods and services. Whilst the fact that Canongate did not rely on publishing services is relevant in order to establish the class of consumers whose perceptions it is necessary to consider, i.e. that of the reading public (as opposed to that of authors who may seek publishing services), the “*high degree of correspondence*” between Canongate’s publishing services and the books which are the end product of those services, means that consumers will not isolate the goods from the related services. Consequently, if consumers recognise the logo as distinctive of Canongate’s business, they will surely realize that it is a reference to (and denotes) the publisher (and its goods and services).

The distinctiveness of Canongate logo

42. The logo relied on by Canongate is purely a visual sign. Ms Reid argued that it is non-distinctive because it is descriptive. She relied, in this connection, on the evidence produced at Exhibit KG7, which shows a different version of the sign:



43. Ms Reid argued that the idea behind the logo is that of an open book, and that the logo is descriptive in relation to the goods. However, the logo relied upon by

Canongate  is more stylised than that shown at Exhibit KG7 and I am not even sure that consumers will recognise a book in that logo. Further, the inherent

capacity of a sign to distinguish must be assessed taking into account the figurative elements of the sign, not simply the concept behind it. For example, in trade mark law, figurative representations of the goods themselves can work as indication of origin if they are sufficiently stylised and fanciful. I therefore reject the argument.

44. Ms Reid also argued that the evidence given by Ms Gibb as regards the use of the logo is contradictory and pointed at paragraph 5 of Ms Gibb's second witness statement, in which she stated: *"In late 2015 my company took the decision that only the logo would be used on the spines of our books as it gave a cleaner, simpler and more modern look. I believe the last we used both the word and the logo on the spine was around 2016. Nonetheless the logo has always been used as an identifier of origin of our products. In addition, even if the word Canongate is located elsewhere on the cover of our books is irrelevant as books [are] displayed spine only"*. I do not see any inconsistency between this statement and the previous statement⁹ that *"The Canongate logo [...] was first used by [Canongate] in 2005"* as the latter does not imply that the logo has been used on its own since 2005. Neither do I accept that the evidence contained within Exhibit KG02, which displays a number of computer templates depicting the Canongate logo, contradicts Ms Gibb's account as regards the date of first use; the date of creation (2016) displayed on the documents exhibited does not refer to the creation of the logo, but to the creation of the templates themselves.

45. Another alleged inconsistency identified by Ms Reid was within Exhibit KG01, to the extent that it shows a photo of the book cover of *"Life of Pi"* (which Ms Gibb says was originally published in 2002) with the logo displayed on the spine. Ms Reid argued that this evidence is not credible because if the book was published in 2003 (as shown by the copyright page which is exhibited separately¹⁰), it could not have had the logo on the spine (since Ms Gibb herself says that the logo was adopted later, in 2005). Ms Reid also argue that the ISBN number displayed on the back cover of the book (image A) did not correspond to the ISBN number shown on the copyright page (image B):

⁹ Paragraph 4 of Ms Gibb's first witness statement

¹⁰ The copyright page contains the following text "First published in Great Britain in 2002 by Canongate" and "This edition published in 2003"



(image A)

ISBN 1 84195 392 X

(image B)

46. I accept the point that a book published in 2003 could not have displayed a logo introduced in 2005. However, BigHit did not apply to cross-examine Ms Gibb and the inconsistencies to which Ms Reid referred were not raised until the main hearing. This means that unless I found Ms Gibb's evidence to be obviously incredible¹¹, in the absence of appropriate questions having been put to Ms Gibb in cross examination, it would be improper for me to draw adverse inferences. In any event, I do not believe that what Ms Gibb said a paragraph 3 of her first witness statement is inconsistent with what she showed at Exhibit KG01. In that paragraph Ms Gibbs simply said: *"Canongate Books gained particular fame in 2002 with the publication of Life of Pi by Yann Martel, which became the biggest selling Booker Prize winner ever, selling more than ten million copies worldwide. There is now presented and shown to me Exhibit KG01 which contain evidence of this"*. She did not say that the photo of the book cover displaying the logo on the spine corresponded to the edition of the book published in 2003. It could well be that the copyright page was exhibited to support Ms Gibb's claim that the bestseller *Life of Pi* was originally published in 2002, whereas the photo of the book cover was intended to establish use of the logo in relation to the same bestseller; this would explain why the last digit of the ISBN numbers do not match.

47. Admittedly, the evidence produced at paragraph 6, which Ms Gibb describes as showing *"a selection of book covers published between 2005 and 2018"*, includes numerous images of book spines¹² all of which display the "new get-up" adopted in 2015-2016, i.e. the logo featuring on its own on book spines. This evidence cannot be accepted to the extent that none of the book covers displaying the new get-up can relate to books published before 2015, but they must all relate to books which have

¹¹ *Extreme Trade Mark* BL O-161-07

¹² Exhibits KG04-06

been re-printed after Canongate adopted the new get-up. Nevertheless, this would still support the claim that Canongate consistently used the new get-up since it introduced it.



48. The earliest the Canongate logo appears on copyright pages is on books published in 2005, where it appears together with the word Canongate:



49. Further, some of the book covers also show the logo incorporated within the word CANONGATE in the bar code box:



50. The next argument urged by Ms Reid is that the logo has been used as a mere decoration (rather than to indicate origin) and/or with the name CANONGATE, which is the main brand. Although there are some examples of the logo being used to create

a decorative motif¹³, it is clear that Canongate has used the sign  as its corporate logo since 2005, which is 14 years before the relevant date; prior to that, Canongate's logo was the letter C¹⁴. There is also enough evidence to show that Canongate has consistently and conspicuously adopted the new get-up displaying the logo on its own, without the name, on the spines of its books. Variants include the logo being incorporated within the word CANONGATE **CANONGATE** and/or

¹³ Exhibit KG02
¹⁴ Exhibit KG07

being used in combination with the word CANONGATE on book spines



, on copyright pages¹⁵ (as early as 2005), on the website (as early as January 2005)¹⁶ and on advertising material¹⁷ (as early as 2005).

Conclusion

51. Given the duration and large scale of use, and the substantial amount of money which has been spent in promoting Canongate's books, which amount to over [REDACTED]¹⁸ in the period 2005-2018, **I find that, at the relevant date, there was a substantial public awareness of the usage of the logo in relation to Canongate's business. In other words, I find that the logo on its own was distinctive of (and associated with) Canongate's business.** Further, all of the books published by Canongate identify Canongate Books Limited as the publisher. **Accordingly, my conclusion is that both the name CANONGATE and the logo were distinctive of Canongate's goodwill in its publishing business.**

Is the misrepresentation material?

52. The second element in the tort of passing off is misrepresentation. Ms Reid raised two preliminary points (at paragraph 25 of her skeleton argument) which are relevant to assessing whether there is misrepresentation: *"It is submitted that Canongate's evidence does not address fundamental issues – (1) whether the appearance of the logo on books would be noticed and recognised by a consumer as an indication of origin and (2) whether the logo would be material to the consumer in choosing to purchase Canongate's books"*.

53. I do not believe that evidence from "real" consumers, i.e. survey evidence, is required in order to answer those questions, given that in passing off cases the

¹⁵ Exhibits KG04-06

¹⁶ Exhibit KG07 page 7 and 8

¹⁷ Exhibits KG10-13;

¹⁸ Paragraph 16 Ms Gibb's first witness statement

admission of survey evidence is an exception rather than the norm¹⁹. As regards the first question, I have already answered that: the logo will be appreciated by customers as having trade mark significance; they will see the logo as a badge of Canongate as the publisher of the books. In this connection, I should clarify that the letters produced at Exhibit KG18 are second-hand hearsay; whilst they are consistent with Canongate's evidence about its reputation as a publishing company and its use of the logo in connection with its business, they are not determinative (and I have attached little weight to that evidence). Further, they are not relevant to the assessment of whether the ultimate consumer of the goods is likely to mistake the applicant's goods as those of Canongate.

54. As regards the second question, Ms Reid submitted that there is not misrepresentation because books are arranged in bookstores by subject matter and/or authors, not by publishers and consumers choose their reading material on the basis of the name of the author or the subject matter, essentially arguing that consumers buy books regardless of who the publisher is. I do not accept any of these arguments. Firstly, Ms Reid's arguments all imply a certain attitude of mind on the part of consumers which is not proven, discounting the fact that people may buy books even if they do not know the authors, or are not looking for a specific subject. To take an example, a reader may be intrigued by the title or the cover of a book, but may know nothing about the author; in such case, if the reader recognises a reputable publisher as the source of the book he may rely upon that belief in purchasing the book. Secondly, Ms Reid's argument that books are purchased by consumers without any regard to their publisher, would have the consequence that the goodwill of a publisher is inherently non-actionable as passing-off. Wadlow, *The Law of Passing-Off*, 5th Ed, at paragraphs 8-131, states:

"Publishers' names and imprints are capable of being trade marks like any others and protection depends on their being distinctive in fact. In *Blacklock v Bradshaws Publishing Co* Astbury J granted an interlocutory injunction in favour of the publishers of Bradshaws Railway Guide against a defendant soliciting business for a Bradshaws Directory. The case was one of gross fraud. A similar

¹⁹ *Zee Entertainment Enterprises Ltd v Zeebox Ltd* [2014] EWCA Civ 82, [2014] F.S.R. 26

example is to be found in *RAC Motoring Services v RAC (Publishing)* in which the defendants were committed for contempt by Browne-Wilkinson VC after fraudulently inviting hoteliers to pay for inclusion in the *R.A.C. Handbook*. A more conventional case is *Pan Books v World Distributors* in which Upjohn J granted an interlocutory injunction against Pem Books. In *MINERVA TM, Reed Consumer Books v Pomaco* three weeks' use of Minerva as a publisher's imprint, with considerable launch publicity, would have given the opponents prior rights in respect of literary matter under s.5(4)(a) Trade Marks Act 1994.

[...]

Get up can also cause or contribute to a book being taken to be the work of another author or publisher.”

55. In particular, in *Pan Books v World Distributors* the plaintiffs, who owned a registered trade mark "Pan-Books," under which they had sold some 50 million books in ten years, moved for an interim quia timet injunction to restrain the defendants from publishing books under the name "Pem Books." Upjohn J., granting an injunction, held that there would be a serious risk of confusion and that the plaintiffs were entitled to the relief.


56. In my view, what little authority there is on the point confirms that publishers are able to prevent the publication of books under a sign which is already recognised by the public as denoting their publishing business.


57. In considering whether there is misrepresentation, Canongate's case is based on the similarity arising from the logos alone. Although goodwill may be associated with a logo, when it comes to assessing whether there has been a misrepresentation or deception, I must carry out a global assessment taking into account that the logo is usually used in conjunction with the name CANONGATE, as well as the presence of other distinguishing features in the applicant's marks.

58. I will consider the issue of misrepresentation in relation to identical goods first.

Misrepresentation in relation to books in class 16

58. I have found that Canongate has a protectable goodwill in a business publishing

and selling books. The logo  was distinctive of Canongate's books at the relevant date. Ms Reid argued that the logos are not identical and the presence of the letters B

and U in the contested  mark is sufficient to avoid misrepresentation. Although the gaps between the two trapezoid shapes in the contested mark is slightly narrower than that in the logo relied upon by Canongate, the two logos are nearly identical and the differences between them are so imperceptible that the public will effectively perceive (and imperfectly recollect) them as identical.

59. The question turns therefore on whether a substantial number of people who know of Canongate's books and are familiar with its corporate logo, in encountering the contested mark will still associate the opposed books with Canongate and make their purchase believing that what they purchasing either is a Canongate's book or is in some material way associated with it.

60. In my view, once it is accepted (as I do) that 1) the public will identify Canongate by reference to its logo and 2) the logo in the contested mark will be recollected and perceived as identical to the corporate logo used by Canongate, the presence of the letter B and U in the contested mark are not sufficient to prevent someone who is familiar with Canongate from thinking either that the letters B and U are imprints used by Canongate to market a specific line of books or that the publisher behind the contested books is connected with Canongate.

61. I have also considered the possibility that the purchaser might notice the absence of the name CANONGATE and check the name of the publisher. However, I consider that it is possible that many purchasers will check the name of the publisher only after the completion of the purchase (in which case they will make purchase believing that what they are purchasing is a CANONGATE's book). But even if a purchaser checked

the name of the publisher before the purchase, he would still think that because of the logo, the book comes from a source that is economically associated with Canongate.

62. My conclusion is therefore that the absence of the word CANONGATE is insufficient to dispel the confusion, given that the logo is distinctive in its own right and is likely to be taken as a point of reference by customers. Accordingly, I find that a substantial number of Canongate's actual or potential customers will confuse the logos and will likely be deceived into thinking that books supplied under the contested mark originated from, or are otherwise commercially linked to, Canongate, such that they think the two are connected. In my view, use of the marks applied-for will be a misrepresentation to the public.

63. Finally, Ms Reid made an argument that books sold online do not display the spine. However, the argument is neither here nor there. The scenario here is that of a customer of Canongate who has already bought one of the books published by Canongate and is already familiar with Canongate's corporate logo, encountering the contested mark on the opposed books.

Conclusion

64. Having considered all of the above, my finding is that if BigHit were to make use of the contested mark in relation to books in class 16 there would be misrepresentation.

Misrepresentation in relation to the remaining goods and services

65. At the hearing Ms Veitch proceeded on the basis that although Canongate intended to maintain the oppositions in relation to all of the goods and services specified in classes 9, 16, 35, 38 and 41, the following goods and services were those of particular concern to Canongate:

Class 9: *CDs; DVDs; downloadable multimedia files; computer programs and software; downloadable smart phone application (software); downloadable music files; downloadable digital video recordings; animated cartoons; electronic publications, downloadable.*

Class 16: *printed matter (except books and periodicals); books; printed publications.*

Class 35: *Providing business and marketing information; brand management; retail store services featuring books; online retail services relating to books.*

Class 38: *transmission, broadcasting and reception of audio, video, still and moving images, text and data; transmission of data, audio, video and multimedia files, including downloadable files and files streamed over a global computer network; electronic transmission of sound, images and other data and information of all kinds; providing online forums for the transmission of messages, comments and multimedia content among users; providing streaming services of movies/music/video/gaming and multimedia content; transmission of videos, movies, pictures, images, text, photos, games, user-generated content, audio content, and information via the Internet; transmission of video/audio via the mobile and internet; radio, television and cable broadcasting services; wireless internet broadcasting; broadcasting of audiovisual and multimedia content via the Internet; television and radio broadcasting services; music broadcasting; internet broadcasting specializing in on-line games; interactive broadcasting.*

Class 41: *ticket reservation and booking services for entertainment, and cultural events; entertainment services; production of audio recordings; rental of audio recordings via internet online; provision of non-downloadable electronic publications; publication of books, periodical publications, magazines, newspapers and newsletters; providing online non-downloadable comic books and graphic novels.*

66. According to Ms Veitch, the consequences of misrepresentation in relation to these goods and services would be the erosion of Canongate's goodwill. Further, misrepresentation would result in diversion of sale and loss of Canongate's opportunity to expand in other business areas. No further submissions were provided in relation to the remaining goods and services aside from the general statement that they were all similar to Canongate's filed of activity.

67. At the hearing Ms Reid argued that if Canongate wished to oppose all of the goods and services in the applications, they needed to amend their pleadings because the case had not been argued in relation to goods and services other than those identified by Ms Veitch. I rejected the submission explaining that when Canongate's representatives filled the Form TM7s, they had ticked the box saying that use of BigHit's marks would amount to passing off in relation to all of the goods and services specified in the applications, and that there was no need to amend any pleadings.

68. I will first consider the issue of misrepresentation in relation to the goods and services of most concern to Canongate.

69. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), Millet L.J. made the following findings about the lack of a requirement for the parties to operate in the a common field of activity, and about the additional burden of establishing misrepresentation and damage when they do not:

"There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business. The expression "common field of activity" was coined by *Wynn-Parry J. in McCulloch v. May* (1948) 65 R.P.C. 58, when he dismissed the plaintiff's claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation Ltd.* (1898) 15 R.P.C. 105 (cameras and bicycles); *Walter v. Ashton* [1902] 2 Ch. 282 (The Times newspaper and bicycles) and is now discredited. In the *Advocaat* case Lord Diplock expressly recognised that an action for passing off would lie

although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego case Falconer J.* acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

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

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the *Lego case Falconer J.* likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from

one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

‘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.’

In the same case Stephenson L.J. said at page 547:

‘...in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged “passer off” seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser said in the *Advocaat* case, be substantial.’ ”

70. In my view, the following goods and services are close enough to Canongate's core business such that the public could conceivably contemplate a connection between the two parties:

Class 9: *downloadable multimedia files; electronic publications, downloadable.*

Class 16: *printed matter (except books and periodicals); books; printed publications.*

Class 35: *retail store services featuring books; online retail services relating to books.*

Class 41: *production of audio recordings; rental of audio recordings via internet online; provision of non-downloadable electronic publications; publication of books, periodical publications, magazines, newspapers and newsletters; providing online non-downloadable comic books and graphic novels.*

71. In particular, *downloadable multimedia files and electronic publications, downloadable* (class 9) include downloadable audio-books and e-books; *provision of non-downloadable electronic publications* (class 41) includes provision of non-downloadable audio-books and e-books; *production of audio recordings and rental of audio recordings via internet online* (class 41) include the provision and rental of audio-books.

72. On the contrary, I take the view that the goods and services listed below are sufficiently removed from Canongate's publishing business that misrepresentation will not arise:

Class 9: *computer programs and software; downloadable smart phone application (software); downloadable music files; downloadable digital video recordings; animated cartoons.*

Class 35: *Providing business and marketing information; brand management.*

Class 38: *transmission, broadcasting and reception of audio, video, still and moving images, text and data; transmission of data, audio, video and multimedia files, including downloadable files and files streamed over a global computer network; electronic transmission of sound, images and other data and information of all kinds; providing online forums for the transmission of messages, comments and multimedia content among users; providing streaming services of movies/music/video/gaming and multimedia content; transmission of videos, movies, pictures, images, text, photos, games, user-generated content, audio content, and information via the Internet; transmission*

of video/audio via the mobile and internet; radio, television and cable broadcasting services; wireless internet broadcasting; broadcasting of audiovisual and multimedia content via the Internet; television and radio broadcasting services; music broadcasting; internet broadcasting specializing in on-line games; interactive broadcasting.

Class 41: *ticket reservation and booking services for entertainment, and cultural events; entertainment services.*

73. In particular, *providing business and marketing information and brand management* (class 35), are services supplied by specialist companies which provide information and advice for marketing their clients' goods and services and manage their clients' brands; although there is some evidence of Canongate carrying out some promotional activities to promote its books, there is no evidence of Canongate providing such services to the public, and Canongate's publishing business is fundamentally different in nature and purpose from these services. Likewise, there is no evidence of Canongate's deriving any income from its literacy events, which are essentially marketing activities carried out by Canongate for its own benefit, which means that the opposed *ticket reservation and booking services for entertainment, and cultural events; entertainment services* (class 41) are outside Canongate's core field of business.

74. In relation to the services in class 38, Canongate's submission was that in 2018 it partnered with a streaming service to distribute its audio-books on a streaming service such as Spotify and, in 2013, it created a pirate radio station playing music inspired by the story alongside discussions about the novel. No evidence was submitted to support the claim that Canongate's goodwill extends to any of the services listed in class 38 (and indeed that Canongate has derived any income from the provision of those services) and I reject the claim that it is very common for providers of broadcasting services to license rights to manufacture books and printed matter.

75. As regards *CDs and DVDs*, at the hearing Ms Reid submitted that they relate to blank discs. However, the terms are, in my view, ambiguous and broad enough to cover both *CDs and DVDs* for recording purposes as well as pre-recorded *CDs and*

DVDs (which may have a content). The issue of partial refusal is dealt in TPN 1/2012. That TPN includes the following:

“In a case where amendment to the specification(s) of goods and/or services is required as the result of the outcome of contested proceedings the Hearing Officer will, where appropriate, adopt one or a combination of the following approaches:

a) Where the proceedings should only succeed in part, or where the proceedings are directed against only some of the goods/services covered by the trade mark and the result can be easily reflected through the simple deletion of the offending descriptions of goods/services, the Hearing Officer will take a "blue pencil" approach to remove the offending descriptions of goods/services. This will not require the filing of a Form TM21 on the part of the owner. If, however, any rewording of the specification is proposed by the owner in order to overcome the objection, then the decision of the Hearing Officer will take that rewording into account subject to it being sanctioned by the Registrar as acceptable from a classification perspective;

b) Where the result cannot be easily reflected through simple deletion, but the Hearing Officer can clearly reflect the result by adding a "save for" type exclusion to the existing descriptions of goods/services, he or she will do so. This will not require the filing of a Form TM21 on the part of the owner. If, however, any rewording of the specification is proposed by the owner in order to overcome the objection, then the decision of the Hearing Officer will take that rewording into account subject to it being sanctioned by the Registrar as acceptable from a classification perspective.”

In those circumstances, the text I have highlighted above seems apposite and points towards limiting the terms CDs and DVDs in BigHig’s application in class 9 as follows:

Class 9: *CDs (blank); DVDs (blank)*

76. I extend the same conclusion reached at paragraph 72 in relation to the remaining goods and services in class 9, 16, 35, 38 and 41, namely:

Class 9: *Goggles; emergency and rescue apparatus; batteries and battery chargers; apparatus for broadcasting, recording, transmission or reproduction of sound, data or images; mounting devices for cameras and monitors; protective shoes; physical and chemical laboratory apparatus and instruments; range finders for golf; sunglasses; eyeglasses; swimming face masks; electrified fences; electricity measuring apparatus and instruments; electronic cables; blank record disks; electronic apparatus and instruments for recording and/or reproducing music; ear phones; headphones; covers for smartphones; recorded computer game software; downloadable game programs, provided from online; computer hardware and computer peripheral devices; integrated circuit chips for use in smart cards; video game cartridges and cassettes; helmets; protective suits [against accident or injury]; phonograph records; DVD featuring music and music performances; electronic coupons.*

Class 16: *Adhesives for stationery and household use; stickers and sticker albums; paper patterns; packing [cushioning, stuffing] materials of paper or cardboard; typewriters and office requisites [except furniture]; plastic materials for packaging; labels of paper or cardboard; flags and pennants of paper; disposable housebreaking pads of paper or cellulose for pets; fitted toilet lid covers of paper; paper tissues; school supplies [stationery]; passport cases; boxes of paper or cardboard; paper bags; paper covers for upholstery; graphic prints; graphic representations; paper for printing photographs.*

Class 35: *business management of performing artists; talent agency services [business management of performing artists]; retail store services featuring confectionery; retail store services featuring processed coffee; retail store services featuring cosmetics; retail store services featuring stationery; retail store services featuring stickers and sticker albums; retail store services featuring bags; retail store services featuring cushions; retail store services featuring footwear; retail store services featuring umbrellas; retail store services featuring key rings [split rings with trinket or decorative fob]; retail store services*

featuring eyeglasses; retail store services featuring watches; retail store services featuring ear phones; retail store services featuring computer programs for pre-recorded games; retail store services featuring toys (playthings); retail store services featuring outerclothing; retail store services featuring hats; retail store services featuring mufflers; retail store services featuring shirts; retail store services featuring socks; retail store services featuring phonograph records; retail store services featuring pre-recorded music electronic media; retail store services featuring paper for printing photographs; online retail services relating to confectionery, processed coffee, cosmetics, stationery, stickers and sticker albums, bags, cushions, footwear, umbrellas, key rings [split rings with trinket or decorative fob], eyeglasses, watches, ear phones, computer programs for pre-recorded games, toys (playthings), outerclothing, hats, mufflers, shirts, socks, phonograph records, pre-recorded music electronic media, and/or paper for printing photographs.

Class 38: *Providing access to Internet portal services via smart phone applications; internet portal services.*

Class 41: *Providing facilities for movies, shows, plays, music or educational training; ticket reservation and booking services for sporting events; training and instruction; entertainment services performed by singers; planning of entertainment performances; fan club services relating to entertainers; providing audio or video studios; nightclub services [entertainment]; organizing and conducting exhibitions for entertainment, cultural or educational purposes; artists education; education and training services relating to the music and entertainment industries; dance academies; game services provided on-line from a computer network; nondownloadable on-line game services; photography; arranging of displays for entertainment purposes.*

77. Canongate has not explained why they consider these goods and services to be similar to their core business. In the absence of any specific submission on the point, I find that the respective fields of activities are so far removed from each other that use of the contested mark would not amount to misrepresentation.

Damage

78. In *Harrods Limited V Harrodian School Limited* [1996] RPC 697, Millett L.J. described the requirements for damage in passing off cases like this:

“In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff’s business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff’s goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff’s reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant’s plastic irrigation equipment might be dissuaded from buying one of the plaintiff’s plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.

79. As to the question of damage, I find that as a result of the misrepresentation that might arise, Canongate would likely suffer damage through the loss of sales and/or the loss of the ability to extend its business to the provision of retail services relating to books and/or the dilution or erosion of its exclusive goodwill in its logo.

CONCLUSIONS

80. **The oppositions on the basis of passing off are successfully in relation to the following goods and services (which will be refused registration):**

Application no. 3371412

Class 9: downloadable multimedia files; electronic publications, downloadable.

Application no. 3371413

Class 16: *printed matter (except books and periodicals); books; printed publications.*

Application no. 371445

Class 35: *retail store services featuring books; online retail services relating to books.*

Application no. 3371441

Class 41: *production of audio recordings; rental of audio recordings via internet online; provision of non-downloadable electronic publications; publication of books, periodical publications, magazines, newspapers and newsletters; providing online non-downloadable comic books and graphic novels.*

81. The oppositions on the basis of passing off fail in relation to the following goods and services (which will proceed to registration):

Application no. 3371412

Class 9: *Goggles; emergency and rescue apparatus; batteries and battery chargers; apparatus for broadcasting, recording, transmission or reproduction of sound, data or images; CDs (blank); DVDs (blank); mounting devices for cameras and monitors; protective shoes; physical and chemical laboratory apparatus and instruments; range finders for golf; sunglasses; eyeglasses; swimming face masks; electrified fences; electricity measuring apparatus and instruments; electronic cables; blank record disks; electronic apparatus and instruments for recording and/or reproducing music; ear phones; headphones; covers for smartphones; computer programs and software; recorded computer game software; downloadable game programs, provided from online; downloadable smart phone application (software); computer hardware and computer peripheral devices; integrated circuit chips for use in smart cards; video game cartridges and cassettes; helmets; protective suits [against accident or injury]; phonograph records; downloadable music files; DVD featuring music and music performances; downloadable digital video recordings; electronic coupons; animated cartoons.*

Application no. 3371413

Class 16: *Adhesives for stationery and household use; stickers and sticker albums; paper patterns; packing [cushioning, stuffing] materials of paper or cardboard; typewriters and office requisites [except furniture]; plastic materials for packaging; labels of paper or cardboard; flags and pennants of paper; disposable housebreaking pads of paper or cellulose for pets; fitted toilet lid covers of paper; paper tissues; school supplies [stationery]; passport cases; boxes of paper or cardboard; paper bags; paper covers for upholstery; graphic prints; graphic representations; paper for printing photographs.*

Application no. 3371445

Class 35: *Providing business and marketing information; brand management; business management of performing artists; talent agency services [business management of performing artists]; retail store services featuring confectionery; retail store services featuring processed coffee; retail store services featuring cosmetics; retail store services featuring stationery; retail store services featuring stickers and sticker albums; retail store services featuring bags; retail store services featuring cushions; retail store services featuring footwear; retail store services featuring umbrellas; retail store services featuring key rings [split rings with trinket or decorative fob]; retail store services featuring eyeglasses; retail store services featuring watches; retail store services featuring ear phones; retail store services featuring computer programs for pre-recorded games; retail store services featuring toys (playthings); retail store services featuring outerclothing; retail store services featuring hats; retail store services featuring mufflers; retail store services featuring shirts; retail store services featuring socks; retail store services featuring phonograph records; retail store services featuring pre-recorded music electronic media; retail store services featuring paper for printing photographs; online retail services relating to confectionery, processed coffee, cosmetics, stationery, stickers and sticker albums, bags, cushions, footwear, umbrellas, key rings [split rings with trinket or decorative fob], eyeglasses, watches, ear phones, computer programs for pre-recorded games, toys (playthings), outerclothing, hats, mufflers, shirts,*

socks, phonograph records, pre-recorded music electronic media, and/or paper for printing photographs.

Application no. 3371440

Class 38: *Providing access to Internet portal services via smart phone applications; internet portal services; transmission, broadcasting and reception of audio, video, still and moving images, text and data; transmission of data, audio, video and multimedia files, including downloadable files and files streamed over a global computer network; electronic transmission of sound, images and other data and information of all kinds; providing online forums for the transmission of messages, comments and multimedia content among users; providing streaming services of movies/music/video/gaming and multimedia content; transmission of videos, movies, pictures, images, text, photos, games, user-generated content, audio content, and information via the Internet; transmission of video/audio via the mobile and internet; radio, television and cable broadcasting services; wireless internet broadcasting; broadcasting of audiovisual and multimedia content via the Internet; television and radio broadcasting services; music broadcasting; internet broadcasting specializing in on-line games; interactive broadcasting.*

Application no. 3371441

Class 41: *Providing facilities for movies, shows, plays, music or educational training; ticket reservation and booking services for entertainment, sporting and cultural events; entertainment services; training and instruction; entertainment services performed by singers; planning of entertainment performances; fan club services relating to entertainers; providing audio or video studios; nightclub services [entertainment]; organizing and conducting exhibitions for entertainment, cultural or educational purposes; artists education; education and training services relating to the music and entertainment industries; dance academies; game services provided on-line from a computer network; non downloadable on-line game services; photography; arranging of displays for entertainment purposes.*

THE OPPOSITION TO CANONGATE'S APPLICATION UNDER NO. 338852 (OPPOSITION) 417650

82. Given the concessions Ms Veitch made at the hearing on behalf of Canongate, I do not need to deal with the opposition to Canongate's application in details.

83. The only defence pleaded by Canongate in its counterstatement was as follows:

It is admitted that the marks are similar. It is admitted that the goods and services are similar.

The opposition filed by BigHit Entertainment Limited (hereinafter "the opponent") is based on its UK trade mark application numbers UK00003371412, UK00003371413 and UK00003371441. As the opponent's marks are not registered trade marks, a decision on the current opposition proceedings should be held in abeyance pending the outcome of those applications.


In this respect, Canongate Books Limited (hereinafter "the applicant") wishes to point out that it has filed oppositions against the applications on which the current opposition proceedings are based. The particulars of these related proceedings are set out below:

Trade Mark Number	Class	Opposition Number
UK00003371412	9	OP00041698 (consolidated under OP000416799)
UK00003371413	16	OP000416799
UK00003371441	41	OP000416804 (consolidated under OP000416799)

The present opposition is based solely on a likelihood of confusion under Section 5(2)(b) with the three trade mark applications listed above. Should consolidated opposition number OP000416799 be upheld then these applications will be rejected. In that event registration of UK trade mark application number UK00003388852 would not be contrary to Section 5(2)(b) of the Trade Marks Act 1994.

84. The same submissions were reiterated in Canongate's skeleton arguments:

Opposition filed by BigHit Entertainment Limited against application by Canongate Books Limited:

<u>Trade Mark Application Number</u>	<u>Classes</u>	<u>Opposition Number</u>	<u>Mark</u>
UK00003388852	9, 16, 41	OP000417650	

Canongate Books Limited (hereinafter “Canongate”) requests that the oppositions it has filed against BigHit Entertainment Limited’s (hereinafter “BigHit’s”) applications are upheld, and the applications filed by BigHit are refused in their entirety.

The opposition filed by BigHit against Canongate’s application contains one ground of opposition, namely a likelihood of confusion with three of its contested trade mark applications. As the oppositions filed by Canongate should be upheld, BigHit’s opposition should in turn be rejected.

85. Canongate’s submissions seemed, therefore, to proceed on the premises that 1) it was admitted that the marks were similar and all the goods and services were similar; 2) if Canongate were to be successful in its oppositions to the three earlier marks relied upon by BigHit in the opposition to Canongate’s trade mark application, then the opposition filed by BigHit should inevitably be dismissed. It was apparent therefore that Canongate had not expressly stated what its position would be if BigHit’s marks were to achieve registration (to any extent). At the hearing I questioned Ms Veitch whether she had any submission on the point. Her response was “*Yes, we believe there is a likelihood of confusion, which is why we have raised the oppositions to the earlier trade marks*”. She further conceded that if any of earlier marks in class 9, 16 or 41 were to be registered (to any extent), there would be a likelihood of confusion with Canongate’s applied-for mark. During the course of the hearing Ms Reid relied on the concessions made by Ms Veitch, and Ms Veitch did not, at any point, depart from the concessions.

86. As BigHit’s applications in classes 9, 16 and 41 will proceed to registration in relation to some of the goods and services listed in the specifications, BigHit’s opposition to Canongate’s application succeeds in full.

CONCLUSIONS

87. **The opposition 417650 has succeeded and the application no. 338852 will be refused.**

COSTS

88. Both parties have achieved a measure of success in these consolidated proceedings. Balanced against the fact that BigHit has been entirely successful in two proceedings, i.e. the opposition against Canongate's application and BigHit's class 38 application, is that Canongate has been partially successful in its passing off claim in four oppositions against BigHit's applications. Further, most of the evidence and submissions filed by the parties dealt with the issue of passing off. In the circumstances, I consider that each party should bear their own costs.

Dated this 30th day of October 2020

T Perks

For the Registrar,
the Comptroller-General