

BL O/609/20

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION 3386572

BY

DIGIT AGENCY LIMITED

TO REGISTER THE FOLLOWING TRADE MARK:

digit

AND

OPPOSITION THERETO (NO. 416884)

BY

PUBLICIS GROUPE SA

Background and pleadings

1. DIGIT AGENCY LIMITED (hereafter “the applicant”) applied to register the trade mark:

digit

in the UK on 26 March 2019. It was accepted and published in the Trade Marks Journal on 05 April 2019, in respect of the following services:

Class 35: Marketing agency services.

2. Publicis Groupe SA (hereafter “the opponent”) opposes all of the services of the contested trade mark, on the basis of section 5(2)(b), section 5(3) and section 5(4)(a) of the Trade Marks Act 1994 (“the Act”).
3. Opposition under sections 5(2)(b) and 5(3) is based on European Union Trade Mark (EUTM) 6139919 which is registered for the following mark:

DIGITAS

4. The opponent’s EUTM was filed on 26 July 2007 and registered on 18 August 2008 for the following goods and services:

Class 09: Electronic publications; multi-media discs and publications; multi-media recordings and publications; computer programs; computer games software; computer software in the form of a set of applications; computer software capable of being accessed and/or downloadable online via global computer information networks or from a website on the Internet; sound, video and data recordings and carriers including records, discs, tapes, cassettes, cartridges, compact discs, CD ROMs, MPEGs, JPEGs, DVDs, DVD-RWs and all other media for storing and/or reproduction of information, data, signals, images and/or sounds; parts and accessories for all the aforesaid.

Class 16: Printed matter; publications; periodicals; books; brochures; pamphlets; magazines; posters; reports and information papers; information cards; folders;

conference folders; instructions and teaching material (except apparatus); postcards; stationery; writing materials.

Class 35: Advertising and marketing services; promotional services; public relations services; brand consultancy and brand creation services; brand evaluation services; brand positioning; brand testing; brand strategy; franchising services; marketing and advertising media management services; media buying services, namely, purchasing time and space for the delivery of advertising messages through broadcast time, print space, indoor space, outdoor space or other media such as CDs and DVDs or website space/time; event marketing and management services; professional consultation and advice relating to events marketing and management; sponsorship consultancy services; business services relating to the provision of sponsorship of the arts, sports, music and theatre events; management and representation of athletes, sportspeople, artistes and celebrities; business management and research; market research; business administration and business consultancy services; business management of event hospitality services; recruitment services; opinion polls; compilation, processing and analysis of statistics; business introduction services; arranging and conducting of commercial exhibitions and shows; production of advertisements for radio, video, film, computers, internet web sites, television and mobile devices; all the aforesaid services also provided on-line via computer websites or through wireless transmissions; advertising by mail order; compilation of direct mailing lists; compilation of mailing lists; direct mail advertising; marketing by mail; preparation of mailing lists; preparation of mailing lists for direct mail advertising services; direct marketing, database marketing, telemarketing; statistical analysis and reporting; database management; information services (business); letter shop and direct mail services; business consulting services in the field of electronic commerce; advertising and marketing management agency services, namely, the creation, development and dissemination of advertising and promotional materials via direct mail, newspaper, radio, television, mobile devices, a global computer network and other interactive media; research services and information services relating to all the aforesaid; Internet online storage; storage of digital media, photographs, film, video tape, sound tracks, emails; storage of documentary records; storage of documents; storage of electronically stored data or documents; internet based storage space; remote file storage; electronic archives; file and document

retrieval; secure internet storage; storage of secure digital media, photographs, film, video tape, sound tracks, emails; file and document retrieval; secure internet storage; secure storage of documentary records; secure storage of documents; secure storage of electronically stored data or documents; secure internet based storage space; secure remote file storage; secure electronic archives; secure file and document retrieval; design of publicity and advertising materials; creation, research, development and implementation of brand names, slogans, lettering and logos; mobile advertisements and direct mail advertisements; computer services, namely, designing and implementing banner advertisements.

Class 38: Telecommunications; television, radio and mobile phone broadcasting and communication services; providing online blogs, chat rooms and electronic bulletin boards for transmission and dissemination of messages among users; transmission/sending of news and information relating to entertainment, celebrities, films, television, music, sport, photography, education, politics and promotional events, products and services; transmission of sound and/or pictures; telecommunication of information, including web pages; providing access to an Internet discussion website; computer aided transmission of messages and/or images; electronic mail; electronic transmission of mail and messages; transferring and disseminating information and data via computer and television networks and the Internet; mobile telephone services, including text and voice messages, and providing access to downloadable videos, games, ring tones, data files, programs (logos, screen savers) and music; providing access to databases on the Internet for buildup, development and maintenance of contact networks purposes in the private sector; providing access to a blog, chat room, bulletin board or discussion service; information, consultancy and advisory services, all relating to the aforesaid.

Class 41: Sound, video and ancillary production and post production services to the advertising, motion picture, video, broadcast, satellite, cable and television industries; music recording; sound editing and enhancement; mixing of dialogue, music, sound effects, dialogue and narration; automated dialogue replacement; recording live sound effects; audio post-production, audio playback and augmentation; looping/foreign language dubbing and recording; video post-production, audio post-production; adding visual effects and graphics to video tape,

audio tape, digital media and film; mastering, editing, augmenting, restoring, converting and reformatting of film, digital media and video tape; film, digital media and video tape editing; CD, DVD and electronic media mastering; production and special effects for advertisements, films and television; renting of equipment for use in creating film, digital media and video tape, and for use in post-production work; consultation relating to the foregoing; entertainment; education, instruction, tuition and training; entertainment, education and instruction by means of or relating to radio and television; production, presentation, distribution, syndication, networking and rental of television and radio programmes incorporating advertisements, interactive entertainment, films and sound and video recordings, interactive compact discs and CD-ROMs; production and rental of educational and instructional materials; publishing services; provision of online electronic publications, digital music and digital entertainment (non-downloadable); exhibition services; rental of radio and television broadcasting facilities; film and animation exploitation services; including all of the aforesaid services provided online from a computer network or via the internet or extranets.

Class 42: Design research; illustrating services (design); industrial and commercial design services; design services, design, creation, research, development and implementation of packaging; research into and design of new products; advertising research services; design, drawing and commissioned writing, all for the compilation of web pages on the Internet; computer services, namely, designing and implementing network web sites, electronic commerce software applications and information technology computer network systems for others; website design services; computer aided design of video graphics; creation, editing and updating of website content; information, consultancy and advisory services, all relating to the aforesaid services.

5. In respect of the opposition under section 5(4)(a), the opponent relies on a sign identical to that relied upon under s.5(2)(b) and s.5(3), i.e. the plain word **DIGITAS**.
6. The opponent claims that this sign has been used throughout the UK since 1999, in respect of the following services:

Advertising and marketing services; promotional services; public relations services; brand consultancy and brand creation services; marketing and advertising media management services; advertising and marketing management agency services, namely, the creation, development and dissemination of advertising and promotional materials via direct mail, newspaper, radio, television, mobile devices, a global computer network and other interactive media; research services and information services relating to all the aforesaid; direct marketing, database marketing, marketing by mail.

7. In its statement of grounds, the opponent claims that all of the applied for services are identical or similar to those covered by its earlier mark. It also claims that due to the high degree of similarity between the marks at issue and the services covered in class 35, there exists a likelihood of confusion under s.5(2)(b).
8. The applicant filed a counterstatement denying the claim of likelihood of confusion. The applicant also stated that it “respects and appreciates the goodwill the opponent has built in their mark DIGITAS” but claims that that mark does not in any way resemble the generic word ‘digit’ and therefore confusion would not arise.
9. The applicant put the opponent to proof of use of the earlier mark relied upon for the purposes of section 5(2)(b) and section 5(3).
10. The applicant has been unrepresented throughout these proceedings. The opponent has been represented by Leighton Cassidy for Fieldfisher LLP. The opponent filed evidence in the form of a witness statement of Ms Danielle Bassil dated 11 December 2019. The applicant did not file any evidence or written submissions.
11. No hearing was requested but the opponent filed written submissions in lieu which I will not summarise here but will refer to where necessary throughout this decision. This decision is taken following a careful perusal of the papers.

EVIDENCE

12. As noted above, the only evidence filed in these proceedings was filed on behalf of the opponent in the form of a witness statement of Ms Danielle Bassil dated 11 December 2019. This was accompanied by 13 exhibits.

13. Ms Bassil is the Chief Executive Officer of Digitas UK and has held that position for one and a half years. Prior to that she was the Chief Operating Officer of Digitas UK. Ms Bassil states that given her association with Digitas, she has a wealth of experience and knowledge concerning the activities of Digitas across the UK.

14. Ms Bassil states that Publicis Groupe SA (the opponent) is a global leader in marketing, communications and digital transformation, and the world's third-largest marketing and communications conglomerate.

15. Ms Bassil states that the DIGITAS trade mark is currently exploited in the UK by the subsidiary UK company DigitasLBI Limited, which is 100% indirectly owned by Publicis Groupe SA.

16. In paragraph 23 of her witness statement, Ms Bassil sets out revenue and sales figures for services provided by Digitas to clients in the UK between 2015 and 2019. Those figures are:

2015: £16,384,269.68

2016: £13,669,953.60

2017: £13,240,314.27

2018: £20,461,312.99

2019: £15,675,423.61 (partial year).

17. In paragraph 25 of her witness statement, Ms Bassil states that Digitas' promotional activity expenditure in the UK amounted to the following:

2015: £83,553.50

2016: £119,344.52

2017: £149,452.82

2018: £42,041.46

2019: £40,978.69 (partial year).

18. The exhibits provided with Ms Bassil's witness statement comprise the following:

Exhibit 1 comprises the ownership certificate for DigitasLBI Limited. This comes from Celine Fronval, General Counsel for Publicis Groupe, S.A. and is dated 4 December 2019. Ms Fronval states that Publicis Groupe, S.A. indirectly holds 100% of the shares of DigitasLBI Limited.

Exhibit 2 comprises a number of articles from the year 2006, regarding the acquisition of Digitas by Publicis Groupe SA. It shows that Digitas, a US based company, was acquired by the opponent in 2006. Page 15 of this evidence states that marketing services accounted for 28% of Publicis' total revenue in 2006. It also shows that the opponent was the fourth largest communications group worldwide and second largest media buying group. The opponent owns a number of well-known advertising and marketing undertakings, notably it owns the well-known UK based agency Saatchi & Saatchi.

Exhibit 3 comprises an extract from the opponent's 2018 registration document. This exhibit provides some of the opponent's corporate history and structure since it was established in 1926. Key points from exhibit 3 include the following:

- The opponent's net revenue is given as €9733 million in 2016; €9690 million in 2017 and €8969 million in 2018. The opponent has 22,285 employees across Europe/Russia and 75,588 globally.
- In 2018, the opponent was responsible for 22% of global advertising expenditure which amounted to 29% of the groups' net revenue. In Europe this amounted to advertising expenditure of 125,970 million dollars. Since 2009 the opponent has been ranked third globally in communications groups by revenue.

Exhibit 4 comprises an undated extract from Digitas' website showing regions and cities where it has offices. This exhibit shows that the opponent has 15 offices in major European cities including London.

Exhibit 5 comprises an undated printout of the services provided under the earlier mark 'DIGITAS'. It states that the opponent offers a range of media, creative and

technology services to clients. It also claims that the opponent provides “better connections between brand and people”.

Exhibit 6 comprises of examples of Digitas’ work for UK and international clients. It shows that Digitas UK produced and released a ‘Transformers style’ animation video for the motor vehicle manufacturer Honda. In this exhibit it is stated that Digitas UK created 60, 30 and 15 second versions of the animated film, to be used across a wide range of social media to promote Honda’s role in Formula One (F1), following the launch of its partnership with Aston Martin Red Bull Racing and its existing partnership with Scuderia Toro Rosso. This information is dated 05/04/2019

Exhibit 6 also shows that F1 launched a new global digital platform, created in partnership with Digitas “the connected market agency”. It claims that “Digitas enabled F1 to broaden its digital reach with fans through an improved offering”. This information is dated 02/12/2019.

There is additional information relating to further services provided to F1, with evidence dated 11/09/2018 showing services rendered to improve the digital reach of the motor racing sport.

There is also an example of working with E.ON the energy provider in the UK, to create a smart meter app. This information is dated 02/04/2017.

The exhibit also shows Digitas UK worked with the satellite television broadcasting company Sky, to demonstrate brand superiority, increase footfall at Sky retail stands, generate sales leads and reassure existing customers. This information is dated September 2017 and June 2018.

This exhibit also shows that the major food producer Kellogg’s, awarded their digital business to Digitas UK. Well-known brands such as Pringles, Cornflakes and Crunchy Nut Cornflakes are mentioned. The evidence provided is UK based. The evidence also establishes that Digitas UK won awards for its work in the UK on a campaign for the brand ‘Crunchy Nut Cornflakes’ and a drive to encourage consumption of this product outside of the more traditional breakfast time. This evidence is dated 06/04/2018.

Exhibit 7 comprises a number of research reports and articles published by Digitas. These articles are largely related to services in the area of marketing strategies and marketing specific advice and guidance. These articles and papers are dated between 31 May 2018 and 02 December 2019.

Exhibit 8 comprises several articles where Digitas' leadership have been quoted or interviewed. The relevant information provided under this exhibit can be summarised as follows:

“From malvertising to diet supplements: How publishers fight bad ads in the programmatic era”. Andrew Mason, the media operations director, EMEA at Digitas UK is quoted twice. This article is undated but refers to July 2019.

“Raconteur.Net; Tribal marketing: Rise of the tribe” - Danielle Bassil chief executive at Publicis Groupe SA digital shop Digitas UK...refers to the referendum vote. This article is undated.

“Campaign – Private View: why am I doing this?” comment from Emma de la Fosse, UK chief creative officer, Digitas. This article refers to Digitas supporting Greta Thunberg and marching at ClimateStrike. That event occurred in September 2019.

From Econsultancy - “A day in the life of... Dani Bassil, CEO at Digitas UK”. This article is dated 25/11/2019 and Ms Bassil refers to Digitas in the UK as a creative, technology, media and data business.

“Social-media marketing update: it's complicated” from a campaignlive.co.uk article dated 19/11/2019. This article refers to ‘Digitas's Leila Hassan, head of data and analytics’ as a part of The Social Network.

“Campaign promotion – Britain makes great work – In a first, the UK government has partnered with the advertising industry to showcase the industry's creative capabilities. Meet some of the great British talent taking part in the ‘Creativity Is GREAT’ campaign at Cannes Lions this summer...”. This article is very difficult to read but it does include a photograph of a large number of people, including Emma de la Fosse, CCO of Digitas, in the creative/marketing sectors. These people are presented as championing the best of UK advertising in 2019.

Exhibit 9 is comprised of several printouts of events hosted, sponsored and/or partnered by Digitas. These include the following information:

April 6, 2018 – A Digitas UK social media page showing Digitas partnering with Gay Star News for Digital Pride again. The word 'DIGITAS' is displayed prominently. One of the speakers at this event was Amy Nield, Senior Creative Strategist at Digitas.

November 14, 2019 – MADFEST London. “The judges from Diageo, Zenith Media UK and Digitas UK have chosen Threedium...winner of PITCH/IT Live @ MADFESTLONDON”. This is information from a social media page of MadFest not Digitas UK, however Digitas UK is named as one of three judges in a competition at that event.

September 25, 2019 - From a Digitas UK social media page “Rupert Coghlan, our Data Science Director is at @adtechLDN answering the question ‘Should marketers take AI seriously?...’”.

22 March 2019 – From a Digitas UK social media page – “Yesterday, @dannibass spoke at TheDrumArms, as part of a panel discussing the need for brands to “fill the vacuum” after the Brexit fog lifts...”.

A further social media page from Digitas UK asks “are you in Edinburgh? Are you free on the 20th September? Are you coming to this? We think you should! - BIMA Breakfast Briefing – The Age of Assistance”. This is an event sponsored by Digitas and was dated 23 Aout (August) 2018.

Exhibit 10 comprises website printouts evidencing awards and accolades received by the opponent or its subsidiary companies, in the relevant field of interest (marketing and advertising services). This information includes the following:

Performance Marketing Awards 2019 – won by M&C Saatchi Performance.

Women in Marketing winners 2019 – ‘Best leader in Marketing Award – Agency’ Winner Danielle Bassil, CEO Digitas UK.

SKY 4D VR – The Webby Awards – 2019 Nominee for Video: Virtual Reality & 360 Video + VR: Branded Cinematic or Pre-Rendered – Digitas.

UK 2019 SEARCH AWARDS shortlist: 'Best low budget campaign' – Digitas UK & Cadbury Gifts Direct for Mother's Day Mini Season Expansion. 'Best use of Data' – Samsung UK & Starcom powered by Performics & Digitas – Smart Data for Smartphones.

Exhibit 11 is comprised of evidence showing use of the 'DIGITAS' mark, including the following:

'Victory by Any Means' – a campaign for the International Committee of the Red Cross (ICRC) by Digitas. This campaign was viewed over 4 million times in the first week of its launch. Digitas produced a one-minute film for ICRC. This information is undated.

'EU referendum tracker' dated June 2016. This evidence provides information of a campaign by Digitas for Politico. There is also evidence of marketing services provided by Digitas for MacMillan Cancer Support and Pigeon Air Patrol and further work done by Digitas for The Oystercatchers Club in the production of a video dated 28 July 2017, and a campaign for Yessayers dated 2017.

The exhibit also includes further information relating to the Honda Racing F1, 'Powered by Honda' campaign work done by Digitas. This is dated 23/04/2019.

There is also information referring to further campaigns conducted by Digitas for Sky in 2018, Kellogg's in 2018 and the AA in a membership relaunch.

Exhibit 12 consists of a sample of invoices issued by Digitas to third parties for work provided in the UK. This information can be summarised as follows:

1. To CDW Limited, London, dated 04/10/2019 totalling £31,642.50 for RMB RMS Application support and maintenance. Invoice from DigitasLBI TA Digitas.
2. To Lloyds banking Group, dated 09/05/2019 totalling £11,664 for CMS support. Invoice from DigitasLBI TA Digitas.

3. To Formula One Digital Media Ltd, dated 18/02/2019 totalling £49,537.44 for CR – F1 2019 Pre-Season Performance Test Support. Invoice from DigitasLBi TA Digitas.
4. To HSBC BANK PLC UK, dated 12/02/2019 totalling £396,000 for PWS Re-Design Concept across three months, December 2018 to February 2019. Invoice from DigitasLBi TA Digitas.
5. To TOYOTA (GB) PLC – LEXUS, dated 18/03/2019 totalling £3,454.80 for Marketing UX Centre Personalised Test Drive Email (Air Freight cars). Invoice from DigitasLBi TA Digitas.

Exhibit 13 comprises samples of invoices evidencing promotional expenditure by Digitas in the UK. This can be summarised as follows:

1. Invoice from DigitasLBi to The Carnyx Group Ltd T/A The Drum, for MOMA entries, dated 25/05/2016 and totalling £1,135.20.
2. Invoice from Digitas LBi TA Digitas to BIMA (The British Interactive Media Association) for BIMA Awards entries, dated 30/05/2019 and totalling £502.80.
3. From Digitas to Masterclassing Ltd, dated 09/08/2018, for work relating to HPE Yeasayers Game, totalling £270.00.
4. From DigitasLBi to Existem Events Ltd, dated 30/01/2017 for three late entries to the Performance Marketing Awards 2017, totalling £954.00.
5. From Digitas to Don't Panic Projects Ltd, dated 21/09/2018 for three entries to the UK Search Awards 2018, totalling £702.00.

19. Based on the evidence submitted, Ms Bassil concludes that the opponent's earlier mark has acquired a significant reputation and goodwill and has "come to be exclusively associated with Digitas' trade and business activities and in particular for advertising".

20. That concludes my summary of the evidence insofar as I consider it necessary.

DECISION

Section 5(2)(b) of the Act

21. Section 5(2)(b) of the Act states:

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

(a) ...

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

22. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“6.- (1) In this Act an “earlier trade mark” means –

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

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

23. The trade mark upon which the opponent relies for the purposes of the opposition under section 5(2)(b) and section 5(3) qualifies as an earlier trade mark under the

above provisions. As this earlier trade mark had been registered for more than five years at the date the application was filed it is subject to the proof of use provisions contained in section 6A of the Act.

24. Section 6A states:

“(1) This section applies where

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

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

(3) The use conditions are met if –

- (a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

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

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

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

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

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

Proof of use

25. The first issue is therefore whether, or to what extent, the opponent has shown use of the earlier mark.

26. The relevant period is the five-year period ending on the date of filing of the contested application. Consequently, the relevant period in which to show use of the earlier mark is 27 March 2014 to 26 March 2019.

27. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV*

[EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional

items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

28. An assessment of genuine use is a global assessment, which includes considering the evidential submissions as a whole rather than assessing whether each individual item of evidence can be said to show use of the mark at issue by itself.

29. The case law cited above provides that the use of the earlier mark need not be quantitatively significant in order to be found to be genuine. The assessment must take account of several factors in order to determine whether there has been real commercial exploitation of the mark which can be regarded as “justified in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark”.

30. I find the evidence of the opponent sufficient to establish that the mark ‘DIGITAS’ has been used within the UK territory during the relevant period and that the use shown amounts to genuine use of the mark. Whilst not every piece of evidence shows the mark at issue, or falls within the relevant period of time, when taking a global approach to the entire submission, I conclude that the evidence shows that the opponent has used the mark DIGITAS in the UK, during the relevant period, in the provision of services to clients, and that the level of revenue generated and the expenditure on promotion and brand awareness can be said to be quite substantial.

31. I also take note of the applicant’s own submission in its counterstatement, that it “respects and appreciates the goodwill the opponent has built in their mark DIGITAS”.

32. The invoices provided under exhibits 12 and 13 show that the opponent’s wholly owned subsidiary company DigitasLBi Limited trades as Digitas in the UK, and that it includes a number of high-profile undertakings in its portfolio of clients in the UK, notably Honda, Lloyds, HSBC, Kellogg’s, Formula One and Toyota. The dates of three of the invoices under exhibit 12 show that the earlier mark was being used

during the relevant period. The revenue generated from those three invoices is quite significant.¹

33. The evidence also reveals that Digitas UK, from which the evidence of Ms Bassil originates, is proactively engaged in the UK marketing agency sector and has won a number of awards in the UK for campaigns and services it has run and provided to third parties. A number of Digitas UK staff members are shown providing articles or commentary in the media in relation to marketing strategy in the UK. I am therefore satisfied that the opponent has made genuine use of the earlier mark during the relevant period.

Fair Specification

34. I must now consider whether, or the extent to which, the evidence shows use of the earlier mark for all of the goods and services relied upon.

35. The evidence shows that the earlier mark 'DIGITAS' is used in the area of marketing and advertising services. The opponent's earlier mark is registered for a wide range of goods and services in several classes and the opponent has relied on all of the goods and services of its earlier mark for the purposes of this matter. It is clear however, that the evidence of use does not support genuine use of the earlier mark for all of the goods and services relied upon.

36. After careful consideration, I find that the evidence supports a claim of genuine use on only a part of the class 35 element of the earlier registration.

37. In conclusion, I find the following services to be a fair specification when taking all of the above into consideration:

Class 35: Advertising and marketing services; promotional services; brand consultancy services; brand evaluation services; brand positioning; brand testing; brand strategy; marketing and advertising media management services; production of advertisements for radio, video, film, computers,

¹ Formula One Digital Media Ltd, 18/02/2019 - totalling £49,537.44; HSBC BANK PLC UK, 12/02/2019 - totalling £396,000; TOYOTA (GB) PLC – LEXUS, 18/03/2019 - totalling £3,454.80

internet web sites, television and mobile devices; all the aforesaid services also provided on-line via computer websites or through wireless transmissions; advertising and marketing management agency services, namely, the creation, development and dissemination of advertising and promotional materials via direct mail, newspaper, radio, television, mobile devices, a global computer network and other interactive media; design of publicity and advertising materials.

Case Law

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

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

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

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when

all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

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

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

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

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

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

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

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

Comparison of goods and services

39. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their

intended purpose and their method of use and whether they are in competition with each other or are complementary”.

40. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

41. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the GC stated that:

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

42. Following my findings in paragraph 37 regarding the matter of a fair specification, the specifications to be compared are the following:

Opponent's earlier mark	Contested application
<p>Class 35: Advertising and marketing services; promotional services; brand consultancy services; brand evaluation services; brand positioning; brand testing; brand strategy; marketing and advertising media management services; production of advertisements for radio, video, film, computers, internet web sites, television and mobile devices; all the aforesaid services also provided on-line via computer websites or through wireless transmissions; advertising and marketing management agency services, namely, the creation, development and dissemination of advertising and promotional materials via direct mail, newspaper, radio, television, mobile devices, a global computer network and other interactive media; design of publicity and advertising materials.</p>	<p>Class 35: Marketing agency services.</p>

43. The opponent's 'Marketing services', 'marketing media management services' and 'marketing management agency services' are, when applying the principles established in Meric, considered to be identical to the applicant's 'Marketing agency services'.

Average consumer and the purchasing act

44. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

45. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

46. The services at issue are essentially marketing and advertising services. The opponent has submitted that such services tend to be targeted at a professional public, i.e. businesses and other commercial entities (including sole traders). I agree with this submission. These services may involve a tendering process as part of the selection process when entering a contract for their provision and are likely to be fairly infrequent and fairly expensive purchases. The selection process for these services is likely to be primarily visual, being made from a website or brochure, however I do not discount the fact that there may be an aural element, given that some of these services may be purchased as a result of word of mouth recommendation. Overall, I find that the average consumer is more likely to be a business or professional than a member of the general public and will pay a higher than medium level of attention to the purchase, though not the very highest level.

Comparison of marks

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

48. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

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

50. The respective trade marks are shown below:

Earlier mark	Contested trade mark
DIGITAS	digit

51. The opponent's earlier mark is comprised of the single word 'DIGITAS' presented in a standard typeface. The overall impression of the mark therefore lies in its totality.

52. The applicant's mark is comprised of the single word 'digit' also presented in a standard typeface. The overall impression of the mark therefore lies in that word.

Visual similarity

53. Visually, the marks are similar inasmuch as they share the letters 'DIGIT' which comprise the beginning of the earlier mark and the entirety of the contested mark. They differ in the letters 'AS' of the earlier mark which have no counterpart in the contested mark. Although these letters are placed at the end of the earlier mark, they form a reasonable portion of that mark and cannot be discounted in a visual assessment. The use of capital lettering in the earlier mark and lower-case lettering in the contested mark has no significant effect on the visual comparison of these marks. The marks can be said to be visually similar to at least a medium degree.

Aural similarity

54. The contested sign is comprised of two syllables that will be pronounced *DIJ/IT*. Due to the natural breaks falling in the earlier mark, I find it more likely that the opponent's mark will be articulated as *DIJ/EE/TAS* however, it may be articulated as *DIJ/IT/AS*. The marks differ in their length and in the final sound 'TAS' or 'AS' of the earlier mark, which creates an aural distinction between the two marks. I find that in respect of both possible enunciations of the earlier mark, the marks at issue can be said to be aurally similar to a medium degree.

Conceptual similarity

55. The earlier mark 'DIGITAS' is an invented term with no meaning. The contested mark 'digit' is a dictionary word which is fairly common in the English language and will be widely understood. That being the case, a conceptual comparison cannot be made. I conclude that the marks are conceptually neutral.

56. In conclusion, the marks have been found to be visually similar to at least a medium degree, aurally similar to a medium degree, and conceptually neutral.

Distinctive character of the earlier trade mark

57. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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

58. In its submissions the opponent claims that the earlier mark has an enhanced degree of distinctiveness due to the word ‘DIGITAS’ being an invented word, or at least likely to be assumed as such by the average consumer. I agree with this submission. I find the word ‘DIGITAS’ to be a coined expression with no dictionary meaning. As it therefore has no clear or obvious link to the services at issue it can be said to be inherently distinctive to a higher than medium degree. I also conclude that this is further enhanced through the use made of the mark.

Likelihood of Confusion

59. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to

apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

60. Confusion can be direct (which effectively occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods/services down to the responsible undertakings being the same or related).

61. I have already found that:

- the services at issue are identical;
- the marks are visually similar to at least a medium degree, aurally similar to a medium degree, and conceptually neutral;
- the average consumer will generally be a professional;
- the average consumer will pay a higher than medium level of attention when selecting the services at issue;
- the purchasing process will be largely visual however the role that an aural assessment may play in the process has not been discounted;
- the earlier mark has a higher than medium degree of inherent distinctiveness which has been further enhanced through the use made of it.

62. The opponent has provided information pertaining to previous opposition cases before the UK IPO, involving word marks containing five and seven letters (as is the case in this matter). I have taken note of this information however the state of the register evidence, which is what this information amounts to, is not binding upon me. Having considered these earlier cases however, I believe that the examples provided by the opponent are not on all fours with the marks before me in this case.

63. It is the case that 'DIGITAS' and 'digit' are both relatively short words, and as such it is easier to distinguish between them than it would be if longer words or combinations of words were involved. The addition of the letters 'AS' in the earlier mark creates an unusual and invented term which the opponent states was formed with the words 'digital' and 'veritas' in mind.

64. I find that the average consumer, notwithstanding the similarities between the marks, will immediately perceive the differences between the dictionary word 'digit', the

meaning of which will be immediately understood, and the invented term 'DIGITAS', and will not mistake one mark for the other. I bear in mind my earlier finding that the average consumer will generally be a professional, paying at least a medium degree of attention, if not a higher than medium degree, when selecting the services at issue.

65. Taking all of the aforesaid into account, I find that direct confusion will not occur.

66. Having found no likelihood of direct confusion, I now go on to consider the matter in respect of indirect confusion.

67. Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 noted that:

“16. ...Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

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

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

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

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

68. These examples are not exhaustive but provide helpful focus.

69. In my opinion, the earlier mark ‘DIGITAS’ will be perceived as a single word. The average consumer will make no attempt to dissect this word but will accept it as an invented term. That being the case, the word ‘DIGITAS’ cannot be said to be a logical extension of the ‘digit’ brand, or vice-versa.

70. The removal of the suffix ‘-AS’ from the earlier mark cannot be said to be an obvious or logical step in the sense of brand evolution or extension. Neither can it be said that the addition of the suffix ‘-AS’ to the word ‘digit’ represents the addition of a non-distinctive element that will be given little or no weight by the average consumer in the same sense that the addition of e.g. ‘Diet’ to the trade mark ‘Pepsi’ immediately informs the consumer that the word ‘Diet’ indicates a lack of calories or sugar in that version of the ‘Pepsi’ range of beverages.

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

72. Whilst I find that it is likely that the opponent’s mark ‘DIGITAS’ would be brought to mind on exposure to the applicant’s ‘digit’ mark, I do not consider it likely that indirect confusion would occur. I find that this would amount to no more than association and overall, I find no likelihood of indirect conclusion.

73. The opposition fails under section 5(2)(b) of the Act.

74. Having found no likelihood of confusion under section 5(2)(b), I move on to consider the remaining grounds of opposition in this matter.

Section 5(3)

75. Section 5(3) states:

“5(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

76. Section 5(3A) states:

“(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

77. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

78. As noted above, the opponent’s mark qualifies as an earlier trade mark under the provisions of section 6 of the Act.

79. The opponent has satisfied the use conditions and may rely on a part of its class 35 services for the purposes of this opposition.²

² See paragraph 37 of this decision for my findings in respect of a Fair Specification.

Case Law

80. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.:

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the

goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel*, paragraphs 76 and 77 and *Environmental Manufacturing*, paragraph 34.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV*, paragraph 40.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

81. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its mark is similar to the applicant's mark. Secondly, that the earlier mark has achieved a level of knowledge/reputation amongst a significant part of the relevant public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the relevant public to make a link between them, in the sense of the earlier mark being brought to mind by the later mark. Fourthly, assuming that the first three conditions are met, section 5(3) requires that one or more of the three types of damage claimed will occur. It is unnecessary for the

purposes of section 5(3) that the goods or services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

Reputation

82. As to the reputation of the opponent's earlier mark. Based on my findings above, it follows that the use shown of the earlier mark has satisfied the requirement of a reputation, at least for some of the registered services.

83. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

84. The opponent's evidence provides sales figures, advertising and promotional expenditure, and market share figures that indicate a significant presence in the market. This is supported by evidence shown in social media and press/media coverage. I conclude that for the services set out in paragraph 37 of this decision, the earlier mark is known by a significant part of the public concerned, across the UK.

Link

85. An assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

For the reasons I have set out above, I consider there to be at least a medium degree of visual similarity between the marks and a medium degree of aural similarity between the marks. I have found the marks to be conceptually neutral.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

I have found all of the contested services to be identical to some of the opponent's services in class 35.

The strength of the earlier marks' reputation

In respect of the services that I have found to be supported by the opponent's evidence, I consider the earlier mark to have a strong reputation in the UK.

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

I have previously concluded that the earlier mark has a higher than medium degree of inherent distinctiveness, which is further enhanced through use.

Whether there is a likelihood of confusion

I have found there to be no likelihood of confusion between the marks.

86. Taking into account the nature of the services at issue, the purchase process of such services and the level of attention being paid by a professional consumer, I find that a member of the relevant public encountering the applicant's mark will not bring the earlier mark to mind in any more than the most fleeting manner, which will not create a positive enough link that damage might follow. In other words, any perceived link will be too weak to cause any damage to the earlier mark's reputation and distinctive character or to give an unfair advantage to the later mark.

87. Therefore, I find that the opposition fails under section 5(3) of the Act.

Section 5(4)(a)

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

“5(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.”

89. 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.”

90. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, 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)."

Relevant date

91. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, as the Appointed Person, endorsed the registrar's assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

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

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

92. There has been no suggestion by the applicant that it has used its mark prior to the date of the application for registration. The relevant date for the assessment of the passing off claim is, therefore, the date on which the contested mark was applied for i.e. 26 March 2019.

Goodwill

93. I bear in mind the guidance set out in the judgement of the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL):

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage 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.”

94. It is clear to me, from the evidence, that DigitasLBI (a wholly owned subsidiary of the opponent) trading as Digitas, has provided services in the UK during the relevant period. The turnover and marketing spend in the UK between 2015 and 2019 can be said to be significant and the evidence referring to market share can be extrapolated to establish the opponent’s subsidiary company as a major player in the advertising and marketing sector within the UK during that period of time.

95. I also take note of the applicant’s counterstatement in which it states that it “respects and appreciates the goodwill that the opponent has built for their mark DIGITAS”.

96. I am therefore satisfied that the opponent has a strong goodwill in relation to:

“Advertising and marketing services; promotional services; brand consultancy services; brand evaluation services; brand positioning; brand testing; brand strategy; marketing and advertising media management services; production of advertisements for radio, video, film, computers, internet web sites, television and mobile devices; all the aforesaid services also provided on-line via computer websites or through wireless transmissions; advertising and marketing management agency services, namely, the creation, development and dissemination of advertising and promotional materials via direct mail, newspaper, radio, television, mobile devices, a global computer network and other interactive media; design of publicity and advertising materials.”

Misrepresentation and damage

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

“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.”

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.”

98.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) 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.”

99. It has been long established that misrepresentation can be more readily inferred where there is intent to deceive (see *Office Cleaning Services Limited v Westminster Window & General Cleaners Limited* [1946] RPC 39 (HOL)).

100. In my opinion, due to the reputation of the earlier mark and the applicant's own admission that it is aware of and has respect for the goodwill generated in the earlier mark, there is no doubt that inspiration has been taken from the opponent's sign. Notwithstanding this however, there is no evidence that the applicant intended

to deceive. If the applicant's intent was to deceive, then my finding that there is no likelihood of confusion under section 5(2)(b) suggests that it failed in that endeavour.

101. I recognise that the test for misrepresentation is different from that for likelihood of confusion in that it entails deception of a substantial number of members of the public rather than confusion of the average consumer. However, as recognised by Lewison L.J. in *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, it is doubtful whether the difference between the legal tests will produce different outcomes.

102. The average consumer in this matter is a professional or business undertaking who will take at least a medium degree of care in the selection of the services at issue. It is unlikely, in my opinion, that that consumer, when exposed to the applicant's mark, will consider it to be e.g. a variant of the reputed 'DIGITAS' brand. The word 'digit' is a common dictionary word. The word 'DIGITAS' is an invented term which is inherently distinctive to a higher than medium degree. I find that the professional consumer will not perceive the applicant's mark as a new addition to the 'DIGITAS' brand or conclude that these marks are used by the same or a connected commercial undertaking, therefore, misrepresentation will not occur.

103. In *W.S. Foster & Son Limited v Brooks Brothers UK Limited*, [2013] EWPC 18 (PCC), Mr Iain Purvis QC, as a Recorder of the Court stated that:

"54. Mr Aikens stressed in his argument the difference between 'mere wondering' on the part of a consumer as to a trade connection and an actual assumption of such a connection. In *Phones 4U Ltd v Phone 4U.co.uk Internet Ltd* [2007] RPC 5 at 16–17 Jacob LJ stressed that the former was not sufficient for passing off. He concluded at 17:

'This of course is a question of degree – there will be some mere wonderers and some assumers – there will normally (see below) be passing off if there is a substantial number of the latter even if there is also a substantial number of the former.'

104. Bearing all of this in mind, I consider that whilst the proprietor's mark may bring the applicant's mark to mind, it will not lead to misrepresentation. The

professional consumer may possibly wonder whether the contested mark originates from the opponent, but will not, I believe, assume that this is the case. As I have concluded that misrepresentation will not occur, it follows that damage will not occur.

105. The opposition fails under section 5(4)(a) of the Act.

Conclusion

106. As the opposition has failed entirely, the application may proceed to registration.

Costs

107. The applicant has been successful and is entitled to a contribution towards its costs. My award of costs is based on the normal scale set out in Tribunal Practice Notice 2/2016.

108. I award costs to the applicant as follows:

Considering the statement of grounds	
And preparing the counterstatement	£200
<u>Total</u>	<u>£200</u>

109. I therefore order Publicis Groupe SA to pay DIGIT AGENCY LIMITED the sum of £200. This sum is to be paid within 21 days of the expiry of the appeal period or within twenty-one days of the final determination of this case, if any appeal against this decision is unsuccessful.

Dated this 4th day of December 2020

Andrew Feldon
For the Registrar
The Comptroller-General