

UK IPO appeal VAPORIZED by Scottish courts

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This case concerns the first appeal from a Hearing Officer of the UK Intellectual Property Office (“UK IPO”) to the Scottish Court of Session.

The dispute at issue was between CCHG Limited t/a Vaporized (the “Appellant”) and Vapouriz Limited (the “Respondent”). The Respondent had brought an invalidity action before the UK IPO based on its earlier UK trade mark registration for VAPOURIZ (stylised words and device) against the Appellant’s later-filed UK trade mark registration for VAPORIZED (stylised words and device). The goods at issue were e-cigarettes. The Hearing Officer upheld the application for invalidity and the VAPORIZED trade mark was struck out based on VAPOURIZ. CCHG Limited then appealed to the Scottish Court of Session. The Scottish court ultimately dismissed the appeal.

Respondent’s Trade Mark (Earlier Mark)



Appellant's Trade Mark



First, there was a preliminary issue as to the remit of the Scottish courts in hearing appeals from the UK IPO, including whether there should be a review of the earlier decision (as per rule 52.11 of the Civil Procedure Rules of the English system) or a rehearing (as per rule 55.19(10) of the Rules of the Court of Session). The Respondent argued that there was no substantive difference between the two alternatives and this was the approach adopted by the Court. As such, brand owners can expect a consistent approach to trade mark appeals whether they are filed in England & Wales or in Scotland.

There were several substantive issues to be reviewed on appeal, including the characterisation of the average consumer, the comparison of the marks, and the assessment of likelihood of confusion, although there is a degree of overlap in the Appellant's criticism of these three aspects of the decision.

The Appellant criticised the Hearing Officer's emphasis on the aural similarities between the marks, as there was no evidence of word-of-mouth or retail purchases and he had not taken into account the average consumer's knowledge of widespread use of words like *vapour*. This argument failed as the Hearing Officer was not required to disown all of his knowledge of the day-to-day world. Further, the Hearing Officer referred to the meaning of *vape* and its obvious significance in the context of e-cigarettes.

As regards the comparison of marks, the Appellant's argument that the Hearing Officer artificially dissected the marks also failed. The judge found that "he did analyse the component parts of the two marks but he did not confine himself to a consideration of these features".

As regards the Hearing Officer's decision on likelihood of confusion, the Appellant argued that this focused on the word elements to the exclusion of other features, particularly the visual elements of the mark. Nevertheless, this argument failed, especially as the device elements were either devoid of distinctive character or alternatively of only weak distinctive character. The Appellant also cited various authorities in making the argument that a monopoly should not be granted to descriptive elements of trade marks, positing that the words *vaporised* and *vapouriz* are descriptive and non-distinctive. However, it was held that such a line of reasoning conflated the concepts of distinctiveness and descriptiveness. The fact that the trade marks only coincided in relation to a component of weak distinctive character did not preclude a likelihood of confusion. Although only weakly distinctive, the verbal element VAPOURIZ was not entirely devoid of distinctive character.

This case serves as a reminder that the Scottish courts have jurisdiction to hear appeals against UK IPO decisions under section 76 of the Trade Marks Act 1994, even though historically all appeals have been brought before the English courts or to the Appointed Person of the UK IPO. Ultimately, the decision confirms that the substantive nature of an appeal ought to be consistent between Scotland and England & Wales, despite formally different procedural rules applying in each

jurisdiction. However, depending on the facts of the case, we can speculate that there may still be tactical reasons for considering the Scottish courts as an alternative appeal forum.