



Neutral Citation Number: [2021] EWHC 1438 (Ch)

Case No: CH-2020-000238

**IN THE HIGH COURT OF JUSTICE**  
**BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES**  
**INTELLECTUAL PROPERTY LIST (ChD)**

**ON APPEAL FROM**  
**THE UNITED KINGDOM INTELLECTUAL PROPERTY OFFICE**

**IN THE MATTER OF THE TRADE MARKS ACT 1994**  
**AND IN THE MATTER OF:**

**Application No.3383412 by Nike Innovate C.V. to register the trade mark FOOTWARE in classes 9, 38 and 42;**

**AND opposition thereto under No.416733 by Puma SE**

Rolls Building  
Fetter Lane, London EC4A 1NL

Date: 27 May 2021

**Before :**

**MR JUSTICE ZACAROLI**

**Between :**

**PUMA SE**

**Appellant**

**- and -**

**NIKE INNOVATE C.V.**

**Respondent**

**Douglas Campbell QC and Daniel Selmi (instructed by Appleyard Lees IP LLP) for the**  
**Appellant**  
**Emma Himsworth QC and Guy Hollingworth (instructed by K&L Gates LLP) for the**  
**Respondent**

Hearing date: 17 May 2021

**APPROVED JUDGMENT**

COVID-19: This judgment was handed down remotely by circulation to the parties' representatives by email. It will also be released for publication on BAILII and other websites. The date and time for hand-down is deemed to be 10.00 am on 27 May 2021.

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MR JUSTICE ZACAROLI

**MR JUSTICE ZACAROLI:**

1. This is an appeal against UK IPO Opposition decision O-415-20 (the “Decision”) by the Registrar’s Hearing Officer, Heather Harrison. The Hearing Officer rejected the opposition of Puma SE (“Puma”) to the registration of the word mark “FOOTWARE” by Nike Innovate C.V. (“Nike”) in respect of goods and services in classes 9 (computer hardware modules, electronic devices and computer software; computer software and firmware; software for electronic devices; computer software for network and device security; computer software); 38 (telecommunication services); and 42 (application service provider [services]; cloud computing featuring software [services]; providing temporary use of non-downloadable cloud based software [services]). The application was dated 14 March 2019.
2. Puma’s opposition was based on sections 3(1)(b), (c) and (d) of the Trade Marks Act 1994 (the “Act”), which provide as follows:

“(3)(1) The following shall not be registered –

  - (a) ...
  - (b) trade marks which are devoid of any distinctive character,
  - (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographic origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
  - (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide established practices of the trade;

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”
3. In its Statement of Grounds of Opposition, Puma claimed as follows:
  - (1) Under section 3(1)(b), that the mark is an ordinary descriptive term for the goods and services for which registration is sought and does not, therefore, possess sufficient distinctive character for registration. It is not striking, surprising, unusual or arbitrary;
  - (2) Under section 3(1)(c): the mark is an obvious portmanteau of “footwear” and “hardware” or “software”. The goods and services covered by the Application encompass software and hardware for footwear. Therefore, the Mark is descriptive of the kind of goods and services covered by the Application;

- (3) Under section 3(1)(d): the mark has become a common descriptor of the goods for which registration is sought and is now customary in the relevant trade.
4. Puma's case under section 3(1)(b) is not advanced on a different basis from that under section 3(1)(c). Accordingly, the parties focused on the objection under section 3(1)(c).

### The Decision

5. The Hearing Officer, having recited the evidence adduced by both parties and identified the basic legal framework, first addressed the objection based on section 3(1)(c). She cited *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) for the relevant principles to be applied under section 3(1)(c), and *Campina Melkunie BV and Benelux-Merkenbureau*, Case C-265/00 for the proposition that, while generally a combination of elements, each of which is descriptive of characteristics of goods or services of which registration is sought, itself remains descriptive of those characteristics, the combination may not be descriptive if it creates an impression which is sufficiently far removed from that produced by the simple combination of the elements.
6. She set out her conclusion in relation to the challenge under section 3(1)(c) (the conclusions applying equally to section 3(1)(b)), at [22] to [28] of the Decision. She concluded that "FOOT" is not descriptive of any of the goods or services for which registration is sought and it is, therefore, distinctive. Accordingly, while she accepted that "WARE" is not inherently distinctive in relation to goods in class 9 or services in class 42, as it may be perceived as referring to software, hardware or firmware, "FOOTWARE" is not a combination of two non-distinctive elements, the combination of which amounts to no more than the sum of its parts. She also concluded that "WARE" is distinctive in relation to the services in class 38.
7. Having permitted Puma to advance an additional argument that "FOOTWARE" is an obvious mis-spelling of "FOOTWEAR", she rejected this argument, concluding that it is a neologism, which changes the meaning and requires some mental effort on the part of the consumer.
8. As to the critical question whether the mark as a whole, "FOOTWARE", is descriptive, she concluded (at [26] of the Decision) as follows:

"It seems to me that the word "FOOTWARE", in the context of all of the goods and services for which registration is sought, is likely to be perceived as a play on the word "FOOTWEAR". Clearly, software, hardware and firmware have some application in footwear with embedded technology. The same can be said of the contested services in class 42: application interfaces may be used or data may be uploaded to the cloud. Even where it is not shown in the evidence that there has already been use of such technology in relation to these services, I have no doubt that in today's connected world the average consumer would

understand that embedded devices may use computer technology services to upload, interpret and store data remotely. The difficulty I have is that I doubt that the use of “FOOTWARE” would be considered descriptive of such services. It seems to me that whilst the average consumer may ultimately deduce that “FOOTWARE” means software or hardware (or related services) for footwear, specifically footwear with embedded technology, it is not a meaning which is immediately apparent or easily recognisable without some stretch of the imagination. In respect of class 38, I have already indicated that neither of the two parts of the mark is likely to be perceived as having a descriptive meaning. With that in mind, whilst I note Ms Gregory’s submission that telecommunications services may be used in order to transmit data from footwear to connected devices, I see no reason why the combination “FOOTWARE” would be perceived as descriptive of the telecommunications services themselves. The mark is not descriptive and does not fall foul of s. 3(1)(c).”

9. At [27] of the Decision, the Hearing Officer noted that it was shown in the evidence that a number of footwear products, mainly sports shoes, feature computer technology to collect data, but that there was no evidence of the term “FOOTWARE” being used to describe any of the goods or services for which registration is sought. Insofar as there was evidence of the term “FOOTWARE” being used in relation to “smart” footwear or footwear connected to other devices, that did not constitute use in relation to the contested goods and services. In relation to the two sources identified in the evidence referring to “Footware” software, she considered that this was “trade mark use” in relation to a particular product, and was not descriptive use of the term in relation to software.
10. At [30] of the Decision, the Hearing Officer cited *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P) for the principles applicable to section 3(1)(b), but noted at [31] that the success under this ground depended on the outcome under section 3(1)(c).
11. In relation to section 3(1)(d), the Hearing Officer, having carefully analysed the evidence relied on by Puma, noted that there was only very limited evidence of “FOOTWARE” in use in the UK, and still less evidence of its use in relation to any of the goods or services at issue. She concluded that the evidence was wholly insufficient to establish that the use of “FOOTWARE” had become customary in the trade for any of the contested goods or services at the relevant date.

#### Standard of review

12. It is common ground that the standard of review to be applied on this appeal was accurately summarised by Daniel Alexander QC sitting as the Appointed Person in *TT Education Ltd v Pie Corbett Consultancy Ltd* (O/017/17) [2017] R.P.C. 17, at [52]:

“(i) Appeals to the Appointed Person are limited to a review of the decision of Registrar (CPR 52.11). The Appointed Person will overturn a decision of the Registrar if, but only if, it is wrong (Patents Act 1977, CPR 52.11).

(ii) The approach required depends on the nature of decision in question (*REEF*). There is spectrum of appropriate respect for the Registrar's determination depending on the nature of the decision. At one end of the spectrum are decisions of primary fact reached after an evaluation of oral evidence where credibility is in issue and purely discretionary decisions. Further along the spectrum are multi-factorial decisions often dependent on inferences and an analysis of documentary material (*REEF*, *DuPont*).

(iii) In the case of conclusions on primary facts it is only in a rare case, such as where that conclusion was one for which there was no evidence in support, which was based on a misunderstanding of the evidence, or which no reasonable judge could have reached, that the Appointed Person should interfere with it (*Re: B* and others).

(iv) In the case of a multifactorial assessment or evaluation, the Appointed Person should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions. In particular, where an Appointed Person has doubts as to whether the Registrar was right, he or she should consider with particular care whether the decision really was wrong or whether it is just not one which the appellate court would have made in a situation where reasonable people may differ as to the outcome of such a multifactorial evaluation (*REEF*, *BUD*, *Fine & Country* and others).

(v) Situations where the Registrar's decision will be treated as wrong encompass those in which a decision is (a) unsupportable, (b) simply wrong (c) where the view expressed by the Registrar is one about which the Appointed Person is doubtful but, on balance, concludes was wrong. It is not necessary for the degree of error to be 'clearly' or 'plainly' wrong to warrant appellate interference but mere doubt about the decision will not suffice. However, in the case of a doubtful decision, if and only if, after anxious consideration, the Appointed Person adheres to his or her view that the Registrar's decision was wrong, should the appeal be allowed (*Re: B*).

(vi) The Appointed Person should not treat a decision as containing an error of principle simply because of a belief that the decision could have been better expressed. Appellate courts should not rush to find misdirections warranting reversal simply because they might have reached a different conclusion on the

facts or expressed themselves differently. Moreover, in evaluating the evidence the Appointed Person is entitled to assume, absent good reason to the contrary, that the Registrar has taken all of the evidence into account. (*REEF, Henderson and others*).”

13. Ms Himsworth QC, who appeared with Mr Hollingworth for Nike, submitted that this was not an exhaustive statement of the relevant principles, but should be read together with the authorities cited earlier in the decision. She pointed, in particular, to the need for caution when considering an appeal against a value judgment or “multi-factorial assessments” (see *Fine & Country Ltd v Okotoks Ltd* [2013] EWCA Civ 672, per Lewison LJ at [50]) or against a decision of a specialist tribunal (see *Shanks v Unilever Plc* [2014] EWHC 1647 (Pat), per Arnold J at [28]). Although Mr Campbell QC, who appeared with Mr Selmi for Puma, contended that Mr Alexander QC’s summary was sufficient, he acknowledged the importance of these additional points.

### The Grounds of Appeal

14. Puma does not challenge on this appeal any of the findings of primary fact.
15. As developed in oral argument at the hearing, Puma’s grounds of appeal, so far as the opposition based on section 3(1)(b) and (c) is concerned, are as follows. First, that the Hearing Officer erred in failing to consider the notional and fair use of the trade mark across the full range of its very broad specification of goods and services. Second, if she had considered notional and fair use in relation to the area of specifications where Puma contends that the mark is descriptive, she could only have reasonably concluded that the mark was descriptive.
16. As to the decision in respect of section 3(1)(d), in its grounds of appeal Puma contends that the Hearing Officer again erred because she failed to consider notional and fair use of the mark, which included use in relation to footwear products.

### The relevant legal principles

17. There was no real dispute between the parties as to the relevant legal principles.
18. Registrability of a mark must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the relevant public’s perception of the mark: Case C-398/08 P *Audi v OHIM* [2010] ECR I-535, at [34].
19. It is necessary to carry out this assessment in respect of the full range of the specification of goods or services. Accordingly, if the scope of the goods and services applied for includes a sub-set which would fall foul of section 3(1)(c) (and there is no application to amend the scope) then the grounds of opposition must be upheld.

20. Mr Campbell QC referred me to a number of cases demonstrating the strict application of this principle: Case C-51/10 P *Agencja Wydawnicza Technopol sp. zo. ov.* [2011] ECR I-1541; Case C-533/08 P *Powerserv Personalservice GmbH v. OHIM (MANPOWER)* [2009] ECR I-11361; Case T-234/06 *Giampietro Torresan v. OHIM* [2009] ECR II-4185; Case T-458/05 *Tegometall International v OHIM* [2007] ECR II-4721; and YORKSHIRE GOLD trade mark, O/248/20 (21 April 2020). It is not necessary to recite the facts in those cases, as each case depends upon its own particular circumstances, including the precise scope of the registration applied for.
21. Ultimately, as Ms Himsworth QC submitted, the question is whether the mark applied for, when notionally and fairly used, is descriptive of the goods and services in question within the meaning of section 3(1)(c). A sign can be refused registration “only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of [the characteristics in section 3(1)(c)]”: *Technopol* (above), at [50]. Moreover, a sign will be descriptive “if there is a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of one of the characteristics of the goods and services in question”: *Case T-234/06 Giampietro Torresan* (above) at [25].

#### Section 3(1)(c)

22. As I have noted, Puma’s first contention is that the Hearing Officer failed to apply the “notional and fair use” of the trademark across the whole range of goods and services for which registration was sought. In particular, she failed to do so in respect of the sub-set of goods and services consisting of use in relation to footwear with embedded technology.
23. The short answer to this contention is, as Ms Himsworth QC submitted, that the Hearing Officer *did* carry out the necessary assessment across the whole range of goods and services, including the sub-set relied on by Puma.
24. It is true that the Hearing Officer did not use the phrase “notional and fair use”. There is no reason for her to have done so. At [32] of the Decision, she set out the substance of the test derived from European cases (to which the “notional and fair use” label is applied). She also quoted at length from the judgment of Arnold J in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch), at [91] to [92], which in turn summarised the principles to be applied, including that the signs referred to within sub-paragraph (c) were “merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought” and the concept of notional, not actual use.
25. I note in passing that Mr Campbell QC also made reference to the fact that the Hearing Officer did not cite the authority which is most relied on by Nike, namely the passage in the *Giampietro Torresan* case referring to the need for the sign to be perceived, immediately and without further thought, as descriptive of the relevant goods and services. I have no doubt, however, that the Hearing Officer had that or similar authority in mind, given the references (in [26] and

[28] of the Decision), in the context of whether the mark would be perceived as descriptive in this case, to concepts such as “immediately apparent”, “without some stretch of the imagination” and “further explanation is required”.

26. At [24] of the Decision, the Hearing Officer concluded that “FOOT” was not descriptive of *any* of the goods or services for which registration is sought. At [26] of the Decision, she identified the precise sub-set relied on by Puma (software, hardware and firmware having “some application in footwear with embedded technology”), but concluded that “FOOTWARE” would not be considered descriptive of such services. It is clear from these two passages that the Hearing Officer considered the full range of possible goods and services for which registration was sought, including the very sub-set relied on by Puma, and concluded that neither “FOOT” nor “FOOTWARE” was descriptive of any of them.
27. Accordingly, I reject Puma’s first contention in relation to section 3(1)(c). Puma’s second contention does not strictly arise, because it concerns the position “had” the Hearing Officer considered the whole range of goods and services, including the sub-set relied on by Puma. Since she did do so (as I have found above) then the second contention is in reality a complaint as to the application of the (correct) legal principle to the facts. In my judgment, Mr Campbell QC’s arguments in this respect did not reach the threshold of identifying any error of principle. At most, they amounted to a submission that a different conclusion would have been preferable.
28. Mr Campbell QC submitted, for example, that the Hearing Officer was wrong to conclude that “FOOT” was not descriptive of any of the relevant goods and services. The submission does not, however, go beyond the assertion that “FOOT” is descriptive of all the relevant goods and services *when used in relation to footwear*. That does not identify an error of principle on the part of the Hearing Officer. I consider that the Hearing Officer’s conclusion that the word “FOOT” is not descriptive of any of the goods or services was one she was entitled to reach. As the Hearing Officer noted at [23] “FOOT” is a common word readily understood as referring to a body part and, as Ms Himsworth QC submitted, it is different from “shoe”. In any event, the Hearing Officer’s conclusion as to the word “FOOT” was only a stepping stone towards consideration of the critical question whether the trademark as a whole (“FOOTWARE”) is descriptive of any of the goods or services (see, for example, Case C-273/05 P *OHIM v Celltech R&D Ltd* [2007] ECR I-2912, at [78]). As to that, I reject the suggestion that her conclusion is (to adopt the language in [52(v)] of the *TT Education* case) not supportable, simply wrong or even doubtful.
29. Mr Campbell QC was on slightly stronger ground in submitting that the Hearing Officer’s conclusion that “WARE” was not descriptive of any of the services in class 38 was unsupported by evidence. The only matter to which Ms Himsworth QC could point in support of that conclusion was the absence of any word ending in “ware” in the services described in class 38. The Hearing Officer referred to an extract from Collins English dictionary that does not appear to have been cited, but this does not assist in explaining why “WARE” is descriptive in relation to classes 9 and 42, but not in relation to class 38.



Nevertheless, this is irrelevant to the Hearing Officer's conclusion on the critical issue that "FOOTWARE" is not descriptive of any of the goods and services in any of the classes (as demonstrated by the fact that although she found "WARE" to be descriptive in relation to classes 9 and 42, the word "FOOTWARE" was not descriptive in relation to either of those classes).

30. Puma additionally contended that "FOOTWARE" would be seen simply as a mis-spelling of "footwear" which would be descriptive in relation to software, hardware etc for us in relation to footwear with embedded technology. Aside from the fact that no error of principle is identified in the Hearing Officer's conclusion on this point, I do not see how this point takes Puma's case any further. The case is very far removed from the case relied on by Puma, Case T-640/11 *Boehringer Ingelheim International GmbH v OHIM* T-640/11. In that case the word "RELY-ABLE" was held, notwithstanding the mis-spelling, to be immediately perceived and understood by the relevant public as meaning "reliable", which was a description of at least part of the goods and services for which registration was sought. In this case, even if the spelling mistake is corrected, the word is still not descriptive of any of the relevant goods and services. Indeed, with the spelling corrected, it lacks the play on words which the Hearing Officer noted would lead (albeit not immediately and not without mental gymnastics) the average consumer to link it to software to be used in relation to embedded technology in shoes.
31. Finally, Mr Campbell QC relied on evidence as to the use of "footware" in other contexts to support his submission that it is in fact descriptive of the goods and services in question in this case. This is the same evidence as that relied on in relation to the opposition under section 3(1)(d) (see below). He highlighted three examples. The first was an academic article about "augmented tango shoes", which used the phrase "interactive footwear". He accepted that this was being used to describe the actual shoes, but pointed out that it does not follow that you could not use the same term to describe the hardware or software in the shoes. The second is a web page relating to a patient record system for podiatrists, chiropodists and other foot health professionals, entitled "footware". As to this, the Hearing Officer commented that the use appeared to be trademark use, relating to a record system, thus not descriptive use at all, and certainly not descriptive of software. She was in my view right in this assessment (such "brand use" does not help to establish that a mark consists exclusively of signs or indications which may serve to indicate the kind or quality or other characteristics of goods: see *Nude Brands Ltd v Stella McCartney Ltd* [2009] EWHC 2154 (Ch), per Floyd J at [29]). The third is a web page referring to a touchscreen system for selecting footwear online, called a "multitouch footwear wall". The Hearing Officer ultimately concluded that this was insufficiently clear evidence of the use of "footware" as descriptive of software to be of assistance. Again, I consider that Puma has not identified any error of principle in the Hearing Officer's conclusion in dismissing reliance on the evidence as to usage of "footware" in these other contexts.

#### Section 3(1)(d)

32. I can deal with this part of the case, as the parties did, very briefly. In its skeleton argument, Puma contended that "the evidence in the case [which consisted of

an exhibit to a witness statement containing reference to the use of “FOOTWARE” in a number of different contexts], shows the use of “FOOTWARE” in the UK in relation to all of the class 9, 38 and 42 goods and services, such that the trade mark has become customary in the trade for all of those goods and services.”

33. When I pressed Mr Campbell QC for an indication as to what error of principle it is contended was made by the Hearing Officer in this respect, he said that he could not improve on what was in the skeleton.
34. As Ms Himsworth QC submitted, there is no error of principle identified in the skeleton. Indeed, this is in substance an appeal against a finding of primary fact, albeit one that was based on the documents presented. The Hearing Officer considered (and carefully analysed) *all* of the evidence in the relevant exhibit. She noted that most of it was not from the UK (and thus irrelevant to the argument under section 3(1)(d)). Puma does not contend that her conclusion (that the evidence was insufficient to establish the use of “FOOTWARE” had become customary in the trade for any of the contested goods or services) was either not supported by the evidence, was based on a misunderstanding of the evidence, or was one which no reasonable tribunal could have reached. There is accordingly no reason to interfere with that conclusion.

### Conclusion

35. For the above reasons, I dismiss this appeal.