

# EIP



## Not one for the “gram” – Instagram’s attempt to “swipe” away potentially similar trade mark name

### Background

The appellant (“**Instagram**”) appeals against a decision (“the **Decision**”) of George Salthouse, a hearing officer of the UK Intellectual Property Office (the “**Hearing Officer**”). The Hearing Officer allowed the word mark “Soundgram” (the “**Soundgram Mark**”) to be registered as a trade mark in Class 38 for services such as telecommunication services, despite Instagram’s opposition. The Decision was made on 25 January 2022.

Instagram is the proprietor of two word trade marks; (i) UK00003123325 (“**INSTAGRAM**”) registered on 15 January 2016 and (ii) 017632729 (“**GRAM**”) registered on 23 March 2019 (together the “**Instagram Marks**”). The respondents in the case (“**Meta 404 Limited**”) applied to register<sup>[1]</sup> the Soundgram Mark on 28 July 2020. Instagram opposed the Soundgram mark, relying on ss5(2)(b) and 5(3) of the Trade Marks Act 1994 (the “**Act**”).

### Key conclusions made by the Hearing Officer in the Decision

With regards to s5(2)(b), the Act states that:

“A trade mark shall not be registered if because 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”.

1. Similarity of the Instagram Marks to the Soundgram Mark

When considering the similarity of the INSTAGRAM and GRAM marks to the Soundgram Mark, the Hearing Officer concluded that both were similar to the Soundgram Mark to only a low degree. His conclusion came from consideration that while both INSTAGRAM and Soundgram ended with the suffix "-gram" the first five letters of the two marks were completely different.

## 2. "Average Consumer"

With regards to examining likelihood of confusion on part of the public, the Hearing Officer examined the characteristics of the "average consumer" of the parties' goods and services and the manner in which that average consumer would make purchasing decisions. The Hearing Officer concluded that the average consumer would be the "general public including businesses" and that they would be likely to pay "above average" attention to their purchase.

The Hearing Officer also looked towards the distinctiveness of the Instagram Marks. When looking at GRAM at the end of each mark the Hearing Officer concluded there was low distinctiveness as it only conveys that the mark involves a messaging service such as a "Telegram or kissogram".

With regards to s5(3), the Act states that:

"A trade mark which 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 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".

Instagram relied only on the INSTAGRAM mark in its opposition under s5(3). The Hearing Officer noted that the Soundgram Mark would need to "call to mind" the INSTAGRAM mark, however he was not content that this was satisfied. The Hearing Officer noted that the opposition date was 28 July 2020 and that at this time, Instagram had "reputation in its mark INSTAGRAM in relation to its renowned photo/video sharing and editing services, software application and social network [...]". The Hearing Officer acknowledged that Instagram's services were identical to those of Meta 404 Limited. Ultimately, however, he decided that "the only point of similarity is the element GRAM at the end of each mark which is of low distinctiveness" and the marks did not form a link as "they are so different that they do not rise even to the "bringing to mind" stage."

For the reasons set out above, the Hearing Officer rejected Instagram's opposition and allowed the Soundgram mark to be registered.

## **The Appeal**

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Instagram appealed against the Decision on the following grounds:

### **Ground 1**

This focussed on the GRAM mark. Instagram submitted that the Hearing Officer erred in his assessment of the distinctiveness of the GRAM mark. Counsel acting for Instagram alleged that the "error of principle" ... was one of "perversity": no reasonable hearing officer could have reached the Hearing Officer's conclusion on the basis of the evidence and submissions before him". The Judge, Mr Justice Richards, stated that "that formulation of the challenge presented a high obstacle for Instagram to overcome since the court will not lightly assume that an expert tribunal, making evaluative determinations in a specialist field, will have gone so wrong as to reach a perverse conclusion."

Instagram argued that the GRAM mark had at least average inherent distinctiveness as the word gram is understood to be a unit of mass and is therefore in no way descriptive of telecommunications services. Richards J found it reasonable that the Hearing Officer considered other uses of the word "gram". The Hearing Officer focused on the suffix use in "telegram" and its allusiveness to the telecommunication services. Instagram argued that the Hearing Officer should have also considered other suffix uses such as "histogram" which do not allude to telecommunication services. Richards J confirmed that the Hearing Officer was not obliged to set out all possible suffix meanings considered.

The Court considered dictionary evidence provided by Instagram. This evidence included use of the word "gram" in the online Urban Dictionary and the Cambridge English Dictionary. Instagram argued that the Hearing Officer was wrong to downplay the significance of some of this dictionary evidence due to it being undated. Further, some media evidence was submitted included a transcript from the Graham Norton show which referred to "gram" and reference to the title of the Craig David song "For the Gram." This evidence was to signify that people intending to refer to Instagram's products could make themselves understood by referring to "the gram".

Richards J agreed with the Hearing Officer's conclusion and was not persuaded that Instagram had satisfied him that the mark GRAM had enhanced distinctiveness through use on basis of the media evidence.

Richards J concluded that the Hearing Officer's conclusion was not perverse and therefore rejected Ground 1.

**Ground 2**

Instagram argued that the Hearing Officer erred in concluding that the GRAM and INSTAGRAM marks were similar to the Soundgram Mark only to a low degree. Specifically, Instagram suggested that the Hearing Officer did not explain what was the dominant and distinctive character of the two marks, the similarity of the “-gram” suffix was not taken into account and the prefix “Sound” is allusive to telecoms and combined with “gram” has a greater effect on similarity.

Richards J stated that the “overall conclusion and reasons are clear from reading the Decision as a whole” and that Instagram’s submission was “unduly to “pick-over” the words of the Decision”. Richards J did not think that Instagram’s argument based on the prefix “Sound” was so strong as to compel the conclusion that the two marks were similar to a medium to high degree.

Ground 2 was therefore dismissed.

**Ground 3**

Instagram argued that The Hearing Officer’s conclusions as to the characteristics of the average consumer and the degree of attention that the average consumer would pay to a purchasing decision were flawed. Instagram argued that there are customers who wish to receive free telecom services such as free apps or pay as you go services. Instagram suggested that customers who download free apps are likely to take risk-free decisions and therefore pay a low level of attention.

Instagram also stated that they have over a billion users worldwide and the trade mark “INSTAGRAM” is renowned. The Hearing Officer should have taken into account that the customers of both parties are likely to be similar and the “average consumer” should not have been treated as a single person but instead a full range of possible consumers.

Richards J stated that whilst Instagram’s arguments may have had plausible grounds on which the Hearing Officer might have made a different decision, they did not satisfy the Court that the decision he did make was “plainly wrong” or vitiated by any error of principle.

The appeal on Ground 3 was therefore rejected.

**Ground 4**

Instagram stated that the Hearing Officer’s errors under Grounds 1 to 3 led him to make a flawed finding that “likelihood of confusion” was not present.

Richards J confirmed that as Grounds 1 to 3 were dismissed, Ground 4 also failed.

### **Ground 5**

Instagram argued that the Hearing Officer erred in finding that the Soundgram Mark would not even bring to mind the INSTAGRAM mark.

Instagram stated that “the Instagram mark will be called to mind by a substantial section of those consumers” when taking into account the fact that “the services are identical, the high inherent distinctive character, the enhanced distinctive character acquired by reason of use, [and] the repute of the mark”.

Richards J agreed that the argument had force but, even if the Hearing Officer could permissibly have reached a contrary conclusion, it did not make the decision he did reach “perverse”.

Ground 5 failed and therefore the entire appeal was dismissed.

### **Take-away thoughts**

It could be said that Instagram gave themselves too high a hurdle to jump by alleging that the Hearing Officer’s decision was “perverse”. As noted by Richards J, the Court will “not lightly assume that an expert tribunal, making evaluative determinations in a specialist field, will have gone so wrong as to reach a perverse conclusion”. When summarising his conclusions, Richards J occasionally agreed that Instagram had put forward a reasonable argument, but this was regularly then rejected by concluding that whilst the Hearing Officer may have been able to reach a contrary conclusion, his decision was not perverse enough to be overturned.

Richards J iterated in the Judgment that “appellate courts have repeatedly, and recently, been warned that they should not lightly interfere with factual findings of a first-instance tribunal”. This principle has also been recently confirmed in the case of *Volpi v Volpi* [2022] EWCA Civ 464. Richards J was clear that he would also bear in mind the approach taken in the Reef Trademark case that “an appellate court should show “real reluctance” but not the “highest degree of reluctance” to interfere with a hearing officer’s conclusions on multi-factorial assessments.”

With these approaches already showing hesitancy to interfere with findings of first instance tribunals and hearing officers, it is not surprising that Richards J would take real reluctance in concluding that the Hearing Officer’s Decision was incorrect, much less “perverse” as put forward by Instagram.

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[1] More precisely, a predecessor in title of Meta 404 Limited called EE&T Limited made the initial application to register.