

O-340-08

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2421687

BY THE BOOTS COMPANY PLC TO REGISTER THE TRADE MARK:

SPIRIT

IN CLASS 3

AND

IN THE MATTER OF OPPOSITION NO 95346 BY

SPIRIG PHARMA AG

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 2421687
By The Boots Company PLC to register the trade mark:
SPIRIT in class 3**

and

**IN THE MATTER OF Opposition No 95346 by
Spirig Pharma AG**

BACKGROUND

1. On 12 May 2006 The Boots Company PLC ("*Boots*") applied to register the word SPIRIT as a trade mark in class 3. *Boots* seek registration for the following goods:

Soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices; deodorants; anti-perspirants; deodorising body sprays; anti-perspirants deodorants; all for personal use.

2. On 13 July 2007 Spirig Pharma AG ("*SP*") opposed the registration of *Boots*' trade mark on the sole ground of section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). *SP* bases its opposition on its earlier international registration ("*IR*") for the word SPIRIG (registration no 860652). The *IR* designates the Community at large¹. The *IR* covers goods and services in classes 3, 5, 42 & 44, but *SP* relies only on its class 3 goods, namely:

"Soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices; cosmetics (included in this Class)".

3. *Boots* filed a counterstatement denying the grounds of opposition. Neither side filed evidence. Neither side requested a hearing. *SP* did, however, file written submissions in lieu of attending a hearing. *Boots* did not file written submissions, but I note that its counterstatement contained submissions on the merits of the dispute. I will take all submissions into account and will refer to them, when relevant, in the body of my decision.

4. It should be noted that this is the second substantive decision in relation to these opposition proceedings, the first having been set aside on appeal² due to a procedural irregularity. The case having been remitted to the Registrar for determination by a different hearing officer, I hereby give the following decision

¹ According to the records of the Office for Harmonization in the Internal Market (Trade Marks and Designs) ("*OHIM*"), the *IR* was received on 16/10/2005 and protection followed on 23/08/2006.

² See the appeal decision of Mr Geoffrey Hobbs QC (sitting as the Appointed Person) under reference BL O-290-08

based on the facts of the case as outlined in the statement of case and counterstatement, and after taking into account the relevant jurisprudence and the submissions received.

DECISION

Proof of use regulations

5. In opposition proceedings, earlier marks for which the registration procedure³ was completed before the end of the five year period ending with the date of publication of the applied for mark may only be relied upon to the extent that it has been used (or that there are proper reasons for non-use)⁴. *Boots'* mark was published on 27 April 2007. Protection was conferred on *SP's* IR within the Community only seven months prior to this, therefore, the proof of use provisions do not apply. Consequently, the IR may be considered for the full range of goods relied upon by *SP*.

Legislation and the relevant authorities

6. 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.”

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

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

(a) a registered trade mark, international trade mark (UK), Community 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.”

³ In this case, the date of completion of the registration procedure means the date from which protection was conferred in the territory of the relevant designated contracting party.

⁴ See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5th May 2004.

8. When reaching my decision I have taken into account the guidance provided by the European Court of Justice (“ECJ”) in a number of judgments germane to this issue, notably: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723. The above judgments set out the primary principles to be applied in matters such as these; I will refer to them, when relevant, in more detail later in this decision.

The average consumer and the purchasing act

9. As matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23) it is important that I assess who this is. The goods can all be characterised as being for personal hygiene, for the beatification or care of the skin, hair or body, or to enhance a person’s aroma. They strike me as goods used by the general public at large, they are certainly not specialist in any way. Although unlikely to be goods that are purchased on a daily basis, they are nevertheless likely to be purchased on a regular basis as they are, effectively, consumable products that require replacement. The frequency of replacement will vary between particular goods and between the particular consumer. Generally speaking, and applying my own experience, the majority of the goods are not particularly expensive.

10. The case-law informs me that the average consumer is to be regarded as reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). However, this general presumption can change depending on the particular goods; see, for example, the decision of the CFI⁵ in *Inter-Ikea Systems BV v OHIM* (Case T-112/06) where the average consumer was assessed as having a higher degree of attention than the norm. I have no reason to suppose that the contrary may also be true in that, in some circumstances, the level of attention may be lower than the norm. Balancing the respective factors I have identified in relation to the goods at issue here, I see no reason to depart from the normal, reasonably observant nature of the average consumer. The average consumer is, therefore, a member of the general public purchasing goods of a consumable nature on a reasonably regular basis.

11. There are some goods (such as perfume) that command a higher price and/or require less frequent replenishment. To this extent, although the average consumer is still a member of the general public, the purchasing act will be carried out through a slightly more attentive process than the norm. However, this does not equate to the highest degree of attention when compared to goods that are very highly priced and/or purchased on a very irregular basis.

12. In terms of the actual purchasing act, and, again, speaking from my own experience, the goods are normally self-selected from a shelf or perhaps from a

⁵ The Court of First Instance of the European Communities

retail web-site. Requesting the goods by word of mouth may take place from time to time, but this will not, in my view, be the predominant form of purchase and may only take place if the goods have not been found through self-selection.

Comparison of the goods

13. All relevant factors relating to the goods in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the ECJ stated at paragraph 23 of its judgment:

“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 end users and their method of use and whether they are in competition with each other or are complementary.”

14. Other factors may also be taken into account such as, for example, the distribution channels concerned (see, for example, paragraph 53 of the judgment of the CFI in Case T-164/03 *Ampafrance S.A. v OHIM – Johnson & Johnson GmbH (monBeBé)*).

15. Some of the goods listed in the respective specifications require little analysis because they are listed in identical terminology. “Soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices” are terms that appear in both specifications and are, therefore, identical.

16. However, *Boots* seeks registration for further goods (deodorants; anti-perspirants; deodorising body sprays; anti-perspirants deodorants) that are not listed in *SP*’s specification. *SP* highlights its terms “perfumery” and “cosmetics” and suggests that they are either identical (because *Boots*’ goods fall within these terms) or that they are, at the least, similar. In relation to deodorants and deodorant body spray, I am content to find that these would fall within the broad term “perfumery” and as such must be regarded as identical⁶. I see no reason why a perfume could not be applied to the body in the form of a spray. A deodorising function is, in reality, no different to the function of a perfume, therefore classification as a deodorising product as opposed to a perfumery product is of little significance.

17. In relation to anti-perspirants and antiperspirant deodorants, these are slightly different as the primary function of them is to prevent the user from perspiring. I do not, therefore, consider that they are a subset of perfumery. Neither do I consider them to be a subset of “cosmetics” as this term would be understood to relate to goods that are applied to the body or face for beautification

⁶ See *Gérard Meric v OHIM* (Case T-133/05)

purposes. Nevertheless, bearing in mind the nature, the users, the method of use and the distribution channels, there must be a high degree of similarity with perfumery products such as perfumery applied in the form of a body spray. There will even be a reasonable degree of similarity to goods such as soaps and other personal care products given that the overall purpose is similar, the users will be the same, and the goods available through the same trade/distribution channels.

Comparison of the marks

18. When assessing this factor I must do so with reference to the visual, aural and conceptual similarities between the respective marks bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, para 23). For ease of reference, the respective marks are shown below:

Boots' mark

SP's mark

SPIRIT

SPIRIG

19. From a visual point of view, both marks are of identical length consisting of six letters. Of the six letters in each mark, the first five (SPIRI) are in common. The last letter in each is, however, different (a "T" in *Boots' mark* and a "G" in *SP's mark*) and there is no resemblance between these final letters (unlike, for example, a "U" and a "V") which may have increased the degree of similarity. The common presence of the first five letters creates an inevitable degree of visual similarity, however, the impact of the differing final letters is in no way lost in the overall impression of the respective marks. This is particularly so given that these are not long words. On this, I note the CFI's comments in *Inter-Ikea Systems BV v OHIM*:

“54 As regards the visual comparison between the verbal element of the contested mark and the earlier word marks, the applicant claims that the only difference between them is the presence of the letter 'd' in the contested mark and the letter 'k' in the earlier word marks. However, the Court has already held in Case T-185/02 *Ruiz-Picasso and Others v OHIM – DaimlerChrysler(PICARO)* [2004] ECR II-1739, paragraph 54) that, in the case of word marks which are relatively short, even if two marks differ by no more than a single consonant, it cannot be found that there is a high degree of visual similarity between them.

55 Accordingly, the degree of visual similarity of the earlier word marks and the verbal element of the contested mark must be described as low.”

20. The above judgment relates to the words IDEA/IKEA. Whilst I accept that the difference is starker than in the case before me due to the length of the words being shorter and that the point of difference is towards the beginning of the mark rather than at the end (this latter point is highlighted in *SP's* submissions), I still

consider the rationale to be good. However, I do not go so far as to say that there is only a low degree of similarity, there is, in my view, a reasonable degree of visual similarity inherent between the marks.

21. In terms of aural similarity, I can add little more than I have already said in relation to the visual analysis. The marks, when pronounced, have a similar length and construction but, they differ in the final sound (“-IT” against “IG”). The length of the words (reasonably short) means that this difference is unlikely to be completely lost. Again, there is a reasonable degree of aural similarity.

22. I should add that *SP* submits that the final letter/sound may be overlooked/misheard. I do not ignore this submission, my view, as expressed above, is that the point of difference is not lost within the overall impressions of the marks. Nevertheless, I will return to this point when dealing with whether there exists a likelihood of confusion.

23. In terms of conceptual similarity, I must begin by assessing any conceptual meanings that underpin the respective marks. *Boots*' mark is for the word SPIRIT which is a English word with a number of meanings⁷, the most obvious being some form of incorporeal being (a spirit of the dead) or the principles that underpin a person's emotions or temperament (a person's spirit). Whilst I am aware of the danger in accepting too readily the degree of knowledge of the average consumer⁸, the word SPIRIT is an everyday word that is likely to be known by the average consumer of the goods in question.

24. *SP*'s mark consists of the word SPIRIG. This is not an English dictionary word nor has any evidence been presented to demonstrate that the word does, in actual fact, have a meaning, let alone a meaning that the average consumer will be aware of. The applicant states that the word appears to be a surname. That may or may not be the case, however, there is no evidence to support this and, furthermore, even if it is a surname, it is certainly not well known enough for me to find that the average consumer will understand it as such. It is, of course, possible that despite the absence of a specific meaning, a word may nevertheless be suggestive or evocative of something, or of another word⁹. However, no suggestive meaning has been put forward by either party and I cannot see anything obvious myself. All things considered, the average consumer will regard the word SPIRIG as an invented word.

25. In terms of conceptual comparison, I am left with one mark having a specific and understandable meaning whereas the other has none. In view of this, there is no conceptual similarity, on the contrary, there is a conceptual difference. In

⁷ Collins English Dictionary (5th Edition).

⁸ See, for example, the decision of Anna Carboni (sitting as the Appointed Person) in *Chorkee* (BL O-048-08).

⁹ See, for example, the decision of the CFI in *Usinor SA v OHIM* (Case T-189/05).

Case T-292/01 *Phillips-Van Heusen v OHIM – Pash Textilvertrieb und Einzelhandel (BASS)* [2003] ECR the CFI stated:

“Next, it must be held that the conceptual differences which distinguish the marks at issue are such as to counteract to a large extent the visual and aural similarities pointed out in paragraphs 49 and 51 above. For there to be such a counteraction, at least one of the marks at issue must have, from the point of view of the relevant public, a clear and specific meaning so that the public is capable of grasping it immediately. In this case that is the position in relation to the word mark BASS, as has just been pointed out in the previous paragraph. Contrary to the findings of the Board of Appeal in paragraph 25 of the contested decision, that view is not invalidated by the fact that that word mark does not refer to any characteristic of the goods in respect of which the registration of the marks in question has been made. That fact does not prevent the relevant public from immediately grasping the meaning of that word mark. It is also irrelevant that, since the dice game Pasch is not generally known, it is not certain that the word mark PASH has, from the point of view of the relevant public, a clear and specific meaning in the sense referred to above.

The fact that one of the marks at issue has such a meaning is sufficient – where the other mark does not have such a meaning or only a totally different meaning - to counteract to a large extent the visual and aural similarities between the two marks.”

The ECJ has made similar findings – see, for example, Case 361/04P (*Picaro/Picasso*).

26. The conceptual counteraction test described above certainly has the capacity to operate here given the clear and specific meaning of one of the marks and the other mark having no such meaning. Given this, my view is that the conceptual divergence between the marks will counteract, to some extent, the visual and aural similarities between them. However, whether such counteraction will avoid a likelihood of confusion is a matter I will turn to later.

Distinctive character of the earlier trade mark

27. The distinctiveness of the earlier mark is another factor to consider because the more distinctive it is (based either on inherent qualities or because of the use made of it), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). No evidence of use of SP’s mark has been presented, therefore, I only have the inherent qualities of the mark to consider. I have touched on the meaning of the word SPIRIG in my assessment of conceptual similarity. I found that the average consumer will regard it as an invented word with no suggestive

or evocative quality. As such, the earlier trade mark must be regarded as a mark of a high degree of inherent distinctive character.

Likelihood of confusion

28. *Boots'* first argument relates to the co-existence (of *SP's* mark) on the register with various marks that contain the word SPIRIT. I see no relevance to this. The other marks referred to are all further away from SPIRIG than *Boots'* mark is. Furthermore, state of the register evidence (and its irrelevance) has been the subject of judicial comment on a number of occasions. This is because the circumstances that have led to the acceptance of other marks is rarely known and, furthermore, state of the register evidence does not demonstrate that the marks have actually been used in the marketplace. In *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 Jacob J stated:

“In particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led to the Registrar to put the marks concerned on the Register. It has long been held that under the old Act that comparison with other marks on the Register is in principle irrelevant when considering a particular mark tendered for registration, see e.g. *MADAME Trade Mark* (1966 RPC 541) and the same must be true of the 1994 Act. I disregard the state of the register evidence.”

29. *Boots'* final argument focuses on the marks themselves. It argues that the different end letters will impact on the visual and aural similarity and that these differences are more acute due to the conceptual difference. To illustrate its argument it cites examples of words such as RAT/RAG and RANT/RANG which it says will clearly be recognised by the average consumer as different despite there being only one letter difference.

30. *SP's* arguments focus on the concept of imperfect recollection and the fact that there is a high degree of inherent distinctiveness in its earlier mark as it is an invented word with no meaning to the average consumer. Furthermore, that the goods in question, being relatively low cost consumer items, would not be purchased with an unusual degree of care and also that the goods are the same (or very similar). It is also worth recalling *SP's* submissions on the similarity of the marks. It describes the marks as “highly similar overall” due to there being only one letter difference and because the point of difference is at the end of the respective marks (which could be overlooked when spoken) and that the consumer’s attention is fixed more on the beginnings of marks. *SP* argues that any conceptual difference is far outweighed by the overwhelming phonetic and visual similarities. In response to *Boots'* examples of conceptual counteraction (RAT/RAG) etc, it submits that the examples are artificial because they are much shorter words and that both words in the examples have a recognisable English meaning (unlike SPIRIG).

31. I need to consider the possibility of both direct and indirect confusion. I will begin by considering direct confusion, whereby the average consumer mistakes one mark for the other and is, therefore, confused about the economic origin of the goods sold under the respective marks. It is clear that the relevant factors have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17) and that 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. I bear in mind that the goods are identical (or very similar) and that the earlier mark has a high degree of distinctiveness; these factors increase the likelihood of confusion. However, one of the key issues in this case is the conceptual difference between the marks and the impact that this will have on the likelihood of the consumer being confused. Of relevance here is the approach adopted by Mr Hobbs QC (sitting as the Appointed Person) in *Cardinal Place* (BL O-339-04) where he stated:

“15. The perceptions and recollections triggered by the earlier mark are likely to have been ecclesiastical whereas the perceptions and recollections triggered by the Applicant’s mark are likely to have been locational as a result of the qualifying effect of the word PLACE upon the word CARDINAL. A qualifying effect of that kind can be quite powerful as indicated by the examples cited in argument on behalf of the Applicant: SOMERSET as compared with SOMERSET HOUSE; COUNTY as compared with COUNTY HALL; CANARY as compared with CANARY WHARF.”

32. Although there is no qualifying effect in the marks at issue here, the above statement nevertheless highlights that it is the average consumer’s perceptions and recollections of the respective marks that is of importance. This leads to two issues, firstly, that the perceptions of the marks are formed by their respective meaning (or lack of meaning) and, secondly, that such perception then forms the basis of the hook that will remain in the consumer’s mind and it is this hook that assists with recollection. That is why a conceptual difference can in certain circumstances counteract visual and aural similarities.

33. *SP* highlights that the average consumer will not be exercising an unusual degree of care when purchasing the goods, the argument presumably being that this may impact on the capacity of any conceptual counteraction to avoid confusion. However, I have already found that the average consumer will display a normal degree of attention which equates to them being reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*). Applied to the case here, and whilst, for example, there is a reasonable degree of visual similarity due to the sharing of the first five letters, this inherent similarity is likely to be counteracted by the conceptual difference when the respective marks

are encountered by a reasonably observant average consumer. It is not a case of looking at a string of letters with no meaning, instead the conceptual meaning of the word SPIRIT will be immediately perceived when that mark is encountered. Similarly, the word SPIRIG will be read as a word even though it has no meaning. These perceptions mean that the two words are unlikely to be mixed up by someone paying a reasonable degree of attention. The different endings of the marks (despite *SP*'s submission that they may be overlooked as more attention will be placed on the beginnings) will be noticed and the relevant perceptions taken.

34. I accept *SP*'s argument that the examples of RAT/RAG are more obvious due to their shortness and that both words have a meaning. Nevertheless, I do not consider that a six letter mark is so long so as to avoid the counteraction, the words are still reasonably short. Furthermore, whilst I agree that if the respective marks both had a recognisable (and different) meaning then the counteraction will be stronger, it nevertheless remains that one of the words has a recognisable meaning and the other does not have that meaning. This has been highlighted by the ECJ and the CFI as being sufficient and, in this case, I believe it is sufficient to have a strong counteracting effect.

35. The perception of the respective marks by the average consumer also has an impact on the propensity for the marks to be imperfectly recalled. Whilst I recognise that the average consumer 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 (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27), the perceptions of the marks, based on their meanings, will form the hook the consumer will utilise as an aid for recall. SPIRIG will be perceived and recalled as an invented word; SPIRIT will be perceived and recalled as a known English word. I can see the argument that an invented word may be imperfectly recalled as another similar invented word, but not as a word that has a definite known meaning. Similarly, I see no reason why SPIRIT will be recalled as SPIRIG.

36. *SP* also suggest that confusion may occasion itself through oral ordering where the end of the marks may be misheard. Whilst I understand the argument, I am satisfied that the termination sound in each mark is distinct enough, and different enough (from each other) for this to be avoided. I certainly cannot say that confusion caused by the possible mishearing of the end of the marks is likely to happen. In any event, I have already found that the purchasing act will predominantly be a visual one, therefore, this concern is of less significance.

37. Taking all the relevant factors into account, and despite the goods being identical (or very similar) and the earlier mark possessing a high degree of distinctiveness, the factors do not combine to result in a likelihood of confusion. **There is no likelihood of direct confusion.**

38. In terms of indirect confusion, whereby the average consumer makes an association between the marks, due to some similarity between them, which causes them to believe that the goods come from the same or an economically linked undertaking, I cannot see how *SP* is in any better position. I have found that the average consumer will be able to differentiate between the marks. I cannot see why the average consumer will make an association of a confusing nature simply on the basis of the sharing of the first five letters in the mark. This is particularly so when the conceptual differences are considered. I do not detect anything in *SP*'s submissions to suggest that it considers that it has a better or different case in relation to indirect confusion. **There is no likelihood of indirect confusion.**

Costs

39. In his decision setting aside the first substantive decision, Mr Hobbs left the matter of costs of the appeal to be within the discretion of the new hearing officer. Prior to issuing this decision, I wrote to the parties seeking further submissions on this matter. In response, it is clear that neither party wished to pursue costs against each other for the costs of the appeal. This, given the circumstances, seems sensible. I therefore make no award of costs in relation to the appeal.

40. In relation to the substantive proceedings, *Boots* have been successful and is entitled to an award of costs. I hereby order Spirig Pharma AG to pay The Boots Company PLC the sum of £500. This sum is calculated as follows:

Considering notice of opposition	£200
Filing counterstatement	£300

41. The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 23rd day of December 2008

**Oliver Morris
For the Registrar
The Comptroller-General**