

O-399-14

**TRADE MARKS ACT 1994**

**TRADE MARK APPLICATION NO. 2638326  
BY EUI LIMITED  
TO REGISTER A SERIES OF TWO TRADE MARKS**



**IN CLASSES 9, 36 AND 38**

**AND**

**THE OPPOSITION THERETO UNDER NO. 400098  
BY DIAMANT SOFTWARE GMBH & CO. KG**

## Background and pleadings

1. EUI Limited (“the applicant”) applied for the trade mark (series of two marks) shown below on 16 October 2012, in classes 9, 36 and 38:



2. The application was published on 18 January 2013 and was subsequently opposed by Diamant Software GmbH & Co. KG (“the opponent”) on the basis that there is a likelihood of confusion, under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) with the opponent’s earlier Community Trade Mark, 2137677. The earlier mark is DIAMANT, registered in class 9 for computer programs recorded on data carriers, and in class 42 for services of a software company, namely computer program development, for others. The earlier mark completed its registration process on 12 March 2003.

3. The applicant filed a counterstatement, denying a likelihood of confusion between the marks and putting the opponent to proof that it has made genuine use of its earlier mark within the five year period ending on the date on which the application was published, as per section 6A of the Act. The five year period is from 19 January 2008 to 18 January 2013.

4. Neither side asked for a hearing. The opponent filed evidence, written submissions during the evidence rounds and written submissions in lieu of a hearing. The applicant filed written submissions during the evidence rounds. I make this decision after a careful reading of all the papers before me, including the opponent’s statement of case and the applicant’s counterstatement.

## Evidence

5. The opponent’s Chief Executive, Rüdiger Müller, has filed an affidavit giving details of the opponent’s use of DIAMANT. Exhibit 1 contains the opponent’s brochures from 2007 (English version), which is before the relevant period, and 2012 (German version), showing “DIAMANT Software” on the front cover and DIAMANT throughout the brochure. The first page of the English version says:

“Diamant Software GmbH & Co. KG has specialised in business accounting software as an independent software developer for over 25 years.

...

We offer country versions of Diamant Business Accounting for immediate use in the Netherlands, France, Switzerland and Austria.”

6. Mr Müller states that DIAMANT products and services have been sold to customers in the EU, including Austria, Belgium, Cyprus, Czech Republic, France, Germany, Netherlands and the UK. He states that DIAMANT products were first sold in Germany on 14 May 1990 and that the mark has been used continuously ever since in relation to the registered goods and services. Mr Müller gives approximate turnover figures within the relevant period and states that these relate to sales of goods and services under the DIAMANT mark:

Turnover per Country in €	1.1-30.6 2008	1.7.2008-30.6.2009	1.7.2009-30.6.2010	1.7.2010-30.6.2011	1.7.2011-30.6.2012	1.7.2012-30.6.2013
France	1,239.48	1,239.48	1,324.43	1,969.43	1,949.43	2,757.53
UK	2,434.65	1,225.20	654.20	0.00	0.00	0.00
Luxembourg	4,195.20	18,037.86	30,407.45	22,170.88	21,838.72	9,807.36
Netherlands	16,459.69	32,710.69	25,362.25	22,015.15	24,650.05	44,214.15
Austria	43,748.93	94,068.22	44,104.23	38,373.26	33,458.61	17,742.52
Czech Republic	1,670.40	2,634.40	1,696.44	4,870.44	1,527.24	1,527.24
Cyprus	8,866.00	1,488.00	1,488.00	1,488.00	1,488.00	1,488.00
Belgium						
Norway		6,330.25				
<b>Total € per above mentioned countries/year</b>	<b>87,614.35</b>	<b>157,734.10</b>	<b>105,037.00</b>	<b>90,887.16</b>	<b>84,912.05</b>	<b>77,536.80</b>
Switzerland	212,286.59	257,118.65	197,660.21	200,013.38	342,751.26	358,766.41
Thailand		2,759.85				
<b>Germany</b>	<b>5,819,011.06</b>	<b>13,272,057.40</b>	<b>13,706,082.79</b>	<b>15,728,536.46</b>	<b>17,218,445.69</b>	<b>19,106,403.79</b>
<b>Turnover Total</b>	<b>6,109,912.00</b>	<b>13,689,670.00</b>	<b>14,008,780.00</b>	<b>16,019,437.00</b>	<b>17,646,109.00</b>	<b>19,542,707.00</b>

Norway, Switzerland and Thailand are not members of the EU, so these figures must be discounted from the turnover picture.

7. Mr Müller states that advertising takes place by way of printed material, online advertising and social media communications on Twitter, Xing, kununu, youtube, slideshare and Issuu. Examples of printed publicity are shown in Exhibit 3. Mr Müller states that the pages clearly indicate the source of the material, the geographical relevance and the date of publication/issue. I do not agree: it is not clear. Some of the pages appear to emanate from before or after the five-year period in question. All of the pages in this exhibit are in German. Beyond some dates, I have no idea what they say.

8. Exhibit 4 contains photographs of inserts within clear plastic cases of the type used for CDs and DVDs. DIAMANT is used on the insert spine and the inside of the case cover. It is also used on cardboard sleeves which presumably house the plastic cases. The photographs are undated.

9. A good selection of invoices are shown in Exhibit 5. They are all headed with DIAMANT Software with a sort of square device preceding DIAMANT. The invoices are in German. All but two are within the relevant period. They show sales to customers in Germany, Austria, the UK (London), Cyprus, The Netherlands,

Luxembourg, France and the Czech Republic. Mr Müller states that the sales were of computer programs and computer program development services.

### **Proof of genuine use of DIAMANT**

10. Section 6A provides:

(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 period of five years ending with the date of publication.

(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 period of five years ending with the date of publication of the application 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 differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, 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 Community 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.

(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.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4)(relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).

11. In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch), Arnold J commented on the case law of the Court of Justice of the European Union (“CJEU”) in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

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

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]"

12. The onus is upon the opponent to prove use of its mark, because Section 100 of the Act states:

"If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

13. Mr Müller says that his UK trade mark attorneys have advised him that use needs to be shown in one EU member state. This is an inaccurate summary of the law in relation to genuine use of Community Trade Marks ("CTMs"). The CJEU, in *Leno Marken BV v Hagelkruis Beheer BV*, Case C-149/11, said:

"Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to 'genuine use in the Community' within the meaning of that provision."

14. As the earlier mark is a CTM, its use in the Community which must be assessed. This is not limited to UK use and it is not limited territorially.

15. The correct approach to assessing the opponent's collection of exhibits and the witness statements is to view the picture as a whole, including whether individual exhibits corroborate each other. In Case T-415/09, *New Yorker SHK Jeans GmbH & Co. KG v Office for Harmonisation of the Internal Market (OHIM)*<sup>1</sup>, the General Court ("GC") said:

"53 In order to examine whether use of an earlier mark is genuine, an overall assessment must be carried out which takes account of all the relevant factors in the particular case. Genuine use of a trade mark, it is true, cannot be proved by means of probabilities or suppositions, but has to be

demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned (*COLORIS*, paragraph 24). However, it cannot be ruled out that an accumulation of items of evidence may allow the necessary facts to be established, even though each of those items of evidence, taken individually, would be insufficient to constitute proof of the accuracy of those facts (see, to that effect, judgment of the Court of Justice of 17 April 2008 in Case C-108/07 P *Ferrero Deutschland v OHIM*, not published in the ECR, paragraph 36).<sup>1</sup>

16. The opponent's EU turnover figures are impressive. There is clearly sufficiency of use in terms of sales. The literature shows that the computer software and the development of that software are closely linked, so it is not a point against the opponent that its turnover figures are not split between the goods and the service. The applicant submits that I should not take into account the 2007 brochure, which is the English version, because it is from before the relevant period. This is unrealistic. Not only is the use of the mark on the 2007 version the same as on the German 2012 version, it seems inherently unlikely that the approximately €6,000,000-worth of EU sales generated in 2008 started completely from scratch. Evidence from outside the relevant period is relevant where it sheds light upon the position at the relevant date<sup>2</sup>.

17. The applicant also submits that the evidence shows use of the mark in a form which differs from the mark as registered:



18. Section 6A(4)(a) states that use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered. The registered mark itself, as shown in the image reproduced above, is unaltered. There is no need to move on to consider whether the form used is an acceptable variant because the form used is the mark as registered (registration in block capitals covers use in lower case). The other matter is separate to DIAMANT. This conclusion is supported by the CJEU's ruling<sup>3</sup> in Case C-252/12, *Specsavers International Healthcare Ltd, Specsavers BV*,

---

<sup>1</sup> See also the comments of Mr Geoffrey Hobbs QC, sitting as the appointed person in *Brandconcern BV v Scooters India Limited* ("Lambretta") BL O/065/14, referring to this case from the GC.

<sup>2</sup> By analogy, the CJEU in *Alcon Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case C-192/03 P held that use after the date of the application could be used to draw conclusions as to the position at the date of application<sup>2</sup>.

<sup>3</sup> See also the CJEU's ruling in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12.

*Specsavers Optical Group Ltd, Specsavers Optical Superstores Ltd v Asda Stores Ltd*:

“22. For a trade mark to possess distinctive character for the purposes of Regulation No 207/2009, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (see, to that effect, Joined Cases C-468/01 P to C-472/01 P *Procter & Gamble v OHIM* [2004] ECR I-5141, paragraph 32; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-311/11 P *Smart Technologies v OHIM* [2012] ECR I-0000, paragraph 23).

23. That distinctive character of a registered trade mark may be the result both of the use, as part of a registered trade mark, of a component thereof and of the use of a separate mark in conjunction with a registered trade mark. In both cases, it is sufficient that, in consequence of such use, the relevant class of persons actually perceive the product or service at issue as originating from a given undertaking (see, by analogy, Case C-353/03 *Nestlé* [2005] ECR I-6135, paragraph 30).”

19. The next step is to decide whether the extent of the opponent’s use entitles it to rely upon its registered specifications in classes 9 and 42, which encompass all types of computer programs and the development of all types of computer programs, or whether I am required to reduce the range of goods and services relied upon because the use does not reflect the breadth of the registered goods and services.

20. Mr Justice Arnold, in *Stichting*, reviewed the law in relation to framing fair specifications:

*53 Partial revocation: substantive aspects.* It is often the case that the trade mark proprietor has made genuine use of the trade mark in relation to some goods or services covered by the specification, but not others. In these circumstances art.51(2) of the Regulation (corresponding to art.13 of the Directive) requires the competent authority only to revoke the trade mark to the extent that it has not been genuinely used. This can lead to difficulties where the trade mark is registered in respect of a broad class of goods or services, but the proprietor has only established use of a narrower sub-class within that broad class.

54 As the Court of First Instance (now the General Court) held in *Reckitt Benckiser (España) SL v OHIM (ALADIN) (T-126/03)* [2005] E.C.R. II-2861; [2006] E.T.M.R. 50:

“45. It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-



category or sub-categories to which the goods or services for which the trade mark has actually been used belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46. Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories."

55 In *NIRVANA Trade Mark* (BL O/262/06), when sitting as the Appointed Person, I reviewed the decisions of the English courts in *MINERVA Trade Mark* [2000] F.S.R. 734; [2001] E.T.M.R. 92 ; *Decon Laboratories Ltd v Fred Baker Scientific Ltd* [2001] R.P.C. 17; [2001] E.T.M.R. 46 ; *DaimlerChrysler AG v Alavi* [2001] R.P.C. 42; [2001] E.T.M.R. 98 ; *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2002] EWCA Civ 1828; [2003] R.P.C. 32 ; *West (t/a Eastenders) v Fuller Smith & Turner Plc* [2003] EWCA Civ 48; [2003] F.S.R. 44 ; *Associated Newspapers Ltd v Express Newspapers* [2003] EWHC 1322 (Ch); [2003] F.S.R. 51 and *ANIMAL Trade Mark* [2003] EWHC 1589 (Ch); [2004] F.S.R. 19 . I concluded at [57] that these were broadly consistent with *ALADIN* , but that to the extent there was a difference I was bounded by the English authorities. I went on:

I derive the following propositions from the case law reviewed above:

- (1) The tribunal's first task is to find as a fact what goods or services there has been genuine use of the trade mark in relation to during the relevant period: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [30].
- (2) Next the tribunal must arrive at a fair specification having regard to the use made: *Decon v Fred Baker* at [23]; *Thomson v Norwegian* at [31].
- (3) In arriving at a fair specification, the tribunal is not constrained by the existing wording of the specification of goods or services, and in particular is not constrained to adopt a blue-pencil approach to that

wording: *MINERVA* at 738; *Decon v Fred Baker* at [21]; *Thomson v Norwegian* at [29].

- (4) In arriving at a fair specification, the tribunal should strike a balance between the respective interests of the proprietor, other traders and the public having regard to the protection afforded by a registered trade mark: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [29]; *ANIMAL* at [20].
- (5) In order to decide what is a fair specification, the tribunal should inform itself about the relevant trade and then decide how the average consumer would fairly describe the goods or services in relation to which the trade mark has been used: *Thomson v Norwegian* at [31]; *West v Fuller* at [53].
- (6) In deciding what is a fair description, the average consumer must be taken to know the purpose of the description: *ANIMAL* at [20].
- (7) What is a fair description will depend on the nature of the goods, the circumstances of the trade and the breadth of use proved: *West v Fuller* at [58]; *ANIMAL* at [20].
- (8) The exercise of framing a fair specification is a value judgment: *ANIMAL* at [20].

59. I would add a point which in my judgment is implicit in most of the decisions, although not explicit, which is that it is for the tribunal to frame a fair specification and not the parties. This is not to say, however, that the tribunal is either obliged or entitled to ignore considerations of procedural justice and efficiency: see the observations of Advocate General Sharpston in *BVBA Management, Training en Consultancy v Benelux-Merkenbureau (C-239/05) [2006] E.C.R. I-1458* at [62]–[68] ...”

56 In *Pan World Brands Ltd v Tripp Ltd (EXTREME Trade Mark) [2008] R.P.C. 2*, again sitting as the Appointed Person, I considered the decision of the CFI in *Mundipharma AG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) (T-256/04) [2007] E.C.R. II-449* and continued as follows:

“54. Although at first blush this suggests an approach which is somewhat different to that laid down by the English authorities considered in *NIRVANA*, I consider that the difference is smaller than might appear. The essence of the domestic approach is to consider how the average consumer would fairly describe the goods in relation to which the trade mark has been used. Likewise, paragraph [29] of *Mundipharma* indicates that the matter is to be approached from the consumer’s perspective.

55. To the extent that there is a difference between them, I remain of the view expressed in *NIRVANA* that I am bound by the English authorities interpreting section 46(5) of the 1994 Act and Article 13 of the Directive and not by the CFI’s interpretation of Article 46(2) of the CTM Regulation since, as already noted above, there are differences between the two legislative contexts. Nevertheless I consider that

English tribunals should endeavour to follow the latter so far as it is open to them to do so. *Mundipharma* suggests that, within the spectrum of domestic case law, the slightly more generous approach of Jacob J. in *ANIMAL Trade Mark* [2004] F.S.R. 19 is to be preferred to the slightly less generous approach of Pumfrey J. in *Daimler Chrysler AG v Alavi* [2001] R.P.C. 42 .”

57 In *Daimler AG v Sany Group Co Ltd* [2009] EWHC 1003 (Ch); [2009] E.T.M.R. 58 Geoffrey Hobbs QC sitting as a Deputy High Court Judge summarised the correct approach at [10] as follows:

“... the aim should be to arrive at a fair specification by identifying and defining not the particular examples of goods for which there has been genuine use, but the particular categories of goods they should realistically be taken to exemplify. ...”

58 As Mr Hobbs added when sitting as the Appointed Person in *Euro Gida Sanayi Ve Ticaret Ltd v Gima (UK) Ltd* (BL O/345/10) at 11:

“For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.””

21. In *Galileo International Technology, LLC v European Union (formerly European Community)* [2011] EWHC 35 (Ch), Floyd J stated:

“39. The unrestricted specification is of enormously wide scope. The Hearing Officer wisely reminded himself of what Laddie J had said about wide specifications for computer software in *Mercury Communications Ltd v Mercury Interactive (UK) Ltd* [1995] FSR 850. Laddie J considered that:

“... there is a strong argument that a registration of a mark simply for “computer software ” will normally be too wide. In my view the defining characteristic of a piece of computer software is not the medium on which it is recorded, nor the fact that it controls the computer, nor the trade channels through which it passes but the function it performs. A piece of software which enables a computer to behave like a flight simulator is an entirely different product to software which, say, enables a computer to optically character read text or design a chemical factory. In my view it is thoroughly undesirable that a trader who is interested in one limited area of computer software should, by registration, obtain a statutory monopoly of indefinite duration covering all types of software, including those which are far removed from his own area of trading interest. If he does he runs the risk of his registration being attacked on the ground of non-use and being forced to amend down the specification of goods. I should make it clear that this criticism applies to other wide specifications of goods obtained under the 1938 Act. I understand that similar wide specifications of goods may not be possible under the 1994 Act.”

40. That was a case decided under the Trade Marks Act 1938, but, like Laddie J, I see no reason why the views there stated should not apply under the [1994] Act.”

22. It is clear from the opponent’s evidence that the computer software and development of computer software which it sells is for accounting. Taking into consideration the observations of Laddie J and Floyd J, the opponent’s specifications are too wide, certainly too wide considering the use shown. A fair specification is:

Class 9: Accountancy computer programs recorded on data carriers.

Class 42: Development of accountancy computer programs for others.

### **Proof of use outcome**

23. The opponent may rely upon:

Class 9: Accountancy computer programs recorded on data carriers.

Class 42: Development of accountancy computer programs for others.

### **Section 5(2)(b)**

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

“(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.”

25. The leading authorities which guide me in relation to this section are from the CJEU (“Court of Justice of the European Union”): *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,

(e) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*,

(f) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*,

(g) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

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

(i) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(j) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(k) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(l) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there

is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*

#### Comparison of goods and services

26. In comparing the respective specifications, all relevant factors should be considered, as per *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* where the CJEU 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 intended purpose and their method of use and whether they are in competition with each other or are complementary.”

‘Complementary’ was defined by the General Court (“GC”) in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06:

“82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking...”

27. Additionally, the criteria identified in *British Sugar Plc v James Robertson & Sons Limited* (“Treat”) [1996] R.P.C. 281 for assessing similarity between goods and services also include an assessment of the channels of trade of the respective goods or services.

28. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch) at [12] Floyd J said:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of ‘dessert sauce’ did not include jam, or because the ordinary and natural description of jam was not ‘a dessert sauce’. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

29. The competing specifications are shown in the table below.

Opponent	Applicant
<p><b>Class 9:</b> Accountancy computer programs recorded on data carriers.</p> <p><b>Class 42:</b> Development of accountancy computer programs for others.</p>	<p><b>Class 9:</b> Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; electronic apparatus, equipment and instruments for use in recording data and information concerning vehicle performance, fuel consumption and vehicle behaviour; electronic apparatus, equipment and instruments for use in recording data and information concerning driver behaviour, driving indications and performance; electronic data recordal and retrieval devices for use in vehicles; electronic data recordal and retrieval devices for use in vehicles relating to fuel consumption, tyre pressure, brake wear and tear and vehicle efficiency and economy; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; <i>magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media; computer software applications for use with mobile communication devices; telematics software and hardware; mobile telephone apparatus and equipment; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers; computer software; fire-extinguishing apparatus.</i></p> <p><b>Class 36:</b> Insurance; <i>financial affairs; monetary affairs; real estate affairs; insurance and financial services; motor and non-marine general insurance services; motor insurance; fire insurance; health insurance; life insurance; marine insurance; information services relating</i></p>

to insurance and *finance, provided on-line from a computer database or the Internet*; insurance brokerage, consultancy, information and underwriting services; underwriting of motor accident insurance; brokerage of stocks, bonds and securities; *financial consultancy, information and management services*; capital investment; fund investment; loan, warranty and extended warranty services financing of loans; investment services; *financial management services*; unit trust, mortgaging, investment management, trusteeship, pension and *financial advisory services*; financial sponsorship; issuance of credit cards; issuance of charge cards and debit cards; trade discount card services; financial evaluation (insurance and real estate); financial management of consumer and trade schemes; electronic transfer of funds; charitable fund raising; *advice and consultancy services relating to all the aforesaid services.*

**Class 38:** Telecommunications; telecommunication of information (including web pages), computer programmes and all other data and images; provision of telecommunications access and links to computer databases, the Internet and the World Wide Web; reception, recordal, communication, transmission, networking, and telecommunication services, namely the display of information from databanks and databases; electronic mail services; facsimile, telex, telephone and telegram services; cellular telephone communication; rental of telephones, cellular telephones and telecommunication apparatus and equipment; reception, recordal, communication, networking and transmission of data and images by means of cable, computer, electronic mail, facsimile, fibre optics, infra-red, laser beam, microwave, radio, radio



	<p>paging, teleprinter, teletype, television and satellite; message sending; paging services; computer aided transmission of facsimile messages and images; telecommunication services providing access to product and service directories and information, telephone and facsimile directories and financial transactions and information; transmission, communication and telecommunication of information for ticket sales purposes; news and press agencies; providing access via computers and communications networks including the Internet, to text, electronic documents, databases, graphic and audiovisual information; Internet portal services; providing access to MP3 web sites on the Internet; providing access to digital music web sites on the Internet; providing internet chat rooms; walled gardens [provision of internet access to vetted and selected web sites]; provision of access to computer programmes via home page interfaces; providing electronic access to periodicals and other printed matter on the Internet, computers and communications networks; advice, information and consulting services relating to all the aforesaid services.</p>
--	--

30. As per the judgment of the GC in *Gérard Meric v OHIM* Case T-133/05, goods and services can be considered as identical when the goods and services of the earlier mark are included in a more general category, included in the specification of the trade mark application. Vice versa, if the goods and services of the application are included in a more general category included in the specification of the earlier mark, they must be identical. For this reason, the applicant's *computer software* is identical to the opponent's accounting software. The applicant also has cover for computer software applications for use with mobile communication devices. This software is unrestricted in scope: 'apps' exist for a multitude of uses. Therefore, these goods of the application are also identical to the opponent's accounting software.

31. With regard to the applicant's *magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media*, on a cursory glance these might seem to cover the opponent's computer programs. However, 'recording' discs suggest that the discs are blank; they are not pre-recorded discs. Likewise, compact discs, DVDs and other digital recording media suggests that this set of goods,

contained within two semi-colons and qualified by “and other digital recording media”, is also blank. The exception is magnetic data carriers, which could be recorded or unrecorded. These cover the opponent’s computer programs recorded on data carriers for accountancy. In relation to the blank media, these are not similar to accountancy computer programs; their nature, their intended purposes and their methods of use are different. They are not in competition and are not complementary.

32. The applicant’s calculating machines and data processing equipment share a reasonable level of similarity with the opponent’s accountancy software since the purpose of both is to process data and provide calculations; there is both competition and complementarity.

33. Computers do not operate without software, but that does not mean that computers are similar to accountancy software. The nature, intended purposes and methods of use differ, and accountancy software is unlikely to be sold nearby to computers. If there is any similarity, it is at a very low level. There are no other goods in the applicant’s class 9 specification which are similar to the opponent’s goods and services, within the parameters of the authorities cited above.

34. The following services of the applicant all cover accountancy:

Financial affairs, monetary affairs; financial services; information services relating to finance, provided online from a computer database or the Internet; financial consultancy, information and management services; financial management services; financial advisory services; advice and consultancy services relating to the aforesaid services.

There is a high degree of complementarity between the opponent’s goods and services and the applicant’s services. There is also competition in that the user could choose to conduct its accounting by using the services of others rather than buying an accountancy program. The intended purpose of the opponent’s programs and the applicant’s services are the same: to provide accountancy, although the nature and the method of use will differ. Overall, there is a reasonable degree of similarity between the opponent’s goods and services and the applicant’s services listed above. There are no other services in the applicant’s class 36 specification which are similar to the opponent’s goods and services, within the parameters of the authorities cited above.

35. In relation to the applicant’s *telecommunication of computer programmes* and *provision of access to computer programmes via home page interfaces*, bearing *Avnet* in mind, these are communications services and are no more similar to computer software and development of computer software than is the delivery of a software DVD in the post. There are no other services in the applicant’s class 38 specification which are similar to the opponent’s goods and services, within the parameters of the authorities cited above.

Average consumer


36. The average consumer is reasonably well informed and reasonably circumspect and observant, but his level of attention is likely to vary according to the category of goods or services. The majority of the goods and services of both parties are likely to involve a reasonably high level of attention; in some cases, they will involve a careful purchasing process because they are complicated, entail investment, and are long-term. For the most part, the purchase will be visual, but I do not rule out an aural aspect, such as during the provision of consultancy services.

Comparison of marks

37. The authorities cited earlier in this decision direct that, in making a comparison between the marks, I must compare each mark’s visual, aural and conceptual characteristics. I have to decide which, if any, of their components I consider to be distinctive and dominant, without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details, as per *Sabel BV v Puma AG*, paragraph 23:

“That global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their dominant and distinctive components.”

38. The respective marks are:

Opponent	Applicant
<p>DIAMANT</p>	

39. In relation to the colour aspect of the first mark in the applicant’s series, I note that Kitchin LJ stated in *Specsavers International Healthcare Ltd & Others v Asda Stores Ltd* [2012] EWCA Civ 24 at [96]:

“A mark registered in black and white is, as this court explained in *Phones 4U* [2007] R.P.C. 5, registered in respect of all colours.”

This means that both parties’ marks are registered in respect of all colours and could be used in any colour, including the same colours as each other.

40. The applicant's mark is complex, made up of three main elements: the device, the word Diamond (in a box) and the word(s) Littlebox. Contrastingly, the opponent's mark contains the single component DIAMANT. The single point of convergence between the marks is between DIAMANT and Diamond. The device in the applicant's mark is prominent both in size and position. Littlebox, although smaller than the device and Diamond, is not negligible. Balancing all these components leads to a conclusion that there is an average degree of visual similarity between the marks.

41. Aurally, the level of similarity is greater, because the device is not articulated. Littlebox provides a point of difference between the marks, but is likely to be said after Diamond. Both DIAMANT and DIAMOND consist of three-syllables, the first two of which are identical. Furthermore, the pronunciation of MANT and MOND are similar to a degree, because the M and N is in the same place and D and T are not dissimilar in sound. DIAMANT and DIAMOND LITTLEBOX share a reasonable degree of aural similarity.

42. A diamond is a gemstone and will immediately be recognised as such, with laudatory overtones. Littlebox is a conjunction of two words. The meaning of them does not alter because of that conjunction: the meaning is a little box. Littlebox is not a neologism, but will be seen merely as two conjoined words.

43. DIAMANT is an invented word. Sometimes invented words are reminiscent of known words<sup>4</sup>. Diamanté means "decorated with glittering ornaments, such as artificial jewels or sequins"<sup>5</sup>, so there is some conceptual evocation of something diamond-like. There are no other concepts attached to the opponent's mark. In the applicant's mark, there is the concept of a diamond, or a laudatory meaning conjured up by diamonds. The device is an anthropomorphised square. Littlebox simply means a little box; as said earlier, it is not a neologism, but rather a mere conjunction of two known words.

44. There is some conceptual similarity on account of the evocation of diamanté, but the additional concepts in the applicant's mark, which are absent from the opponent's mark, means that the conceptual similarity is no higher than moderate.

45. Overall, the level of similarity between the parties' marks is average. DIAMANT is the single distinctive and dominant component of the opponent's mark. In the applicant's mark, Diamond and the device are more distinctive and more dominant than Littlebox, which could refer to a small piece of equipment, and is proportionately small in the mark. Diamond is somewhat laudatory, but not overtly so. The device is distinctive. Neither the word Diamond nor the device is more dominant than the other.

#### Distinctive character of the earlier mark

---

<sup>4</sup> *Usinor SA v OHIM*, Case T-189/05.

<sup>5</sup> *Collins English Dictionary*, 2000 Edition.

46. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*<sup>6</sup> 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).”

47. For an enhanced distinctive character to make a difference in the global comparison, the enhancement must have taken place in the UK, because it is the effect on UK average consumers which is relevant in UK opposition proceedings. Although the opponent has demonstrated impressive sales figures for some EU member states, the sales figures for the UK are modest. Therefore, the opponent cannot claim the benefit of enhanced distinctive character in the UK. The mark does, though, have a reasonably good level of inherent distinctive character because although it may evoke connotations of *diamanté*, it is still an invented word. Invented words are usually the strongest type of mark in terms of inherent distinctive character.

#### Likelihood of confusion

48. Deciding whether there is a likelihood of confusion is not scientific; it is a matter of considering all the factors, weighing them and looking at their combined effect, in accordance with the authorities set out earlier in this decision.

49. One of those principles states that a lesser degree of similarity between the goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*). I have found that the goods and services range from being identical to not similar. Where there is no similarity between the goods or services, neither identity between the marks nor a good degree of distinctive character in the earlier mark will help the

---

<sup>6</sup> Case C-342/97

opponent's case, as per the CJEU in *Waterford Wedgwood plc v OHIM* Case C-398/07:

“35 It must be noted that the Court of First Instance, in paragraphs 30 to 35 of the judgment under appeal, carried out a detailed assessment of the similarity of the goods in question on the basis of the factors mentioned in paragraph 23 of the judgment in *Canon*. However, it cannot be alleged that the Court of First Instance did not take into account the distinctiveness of the earlier trade mark when carrying out that assessment, since the strong reputation of that trade mark relied on by Waterford Wedgwood can only offset a low degree of similarity of goods for the purpose of assessing the likelihood of confusion, and cannot make up for the total absence of similarity. Since the Court of First Instance found, in paragraph 35 of the judgment under appeal, that the goods in question were not similar, one of the conditions necessary in order to establish a likelihood of confusion was lacking (see, to that effect, *Canon*, paragraph 22) and therefore, the Court of First Instance was right to hold that there was no such likelihood.”

50. Therefore, the opposition fails for all the goods and services for which there is no similarity. However, even in respect of goods and services which are identical, there is no likelihood of confusion. The marks are similar to only an average degree. The level of attention of the average consumer during the purchasing process will be reasonably high. They will not confuse the marks directly. Nor will they indirectly confuse the marks; that is to say, assume that there is an economic/commercial link between the two undertakings. The UK consumer is likely to notice the difference between the known word DIAMOND and an invented, albeit evocative, word DIAMANT: he or she will be playing a reasonably high level of attention to the purchase. This, coupled with the distinctive device and the word Littlebox, will be enough to obviate confusion.

## **Outcome**

**51. The opposition fails.**

## **Costs**

52. The applicant has been successful and is entitled to a contribution towards the costs of defending its application. I award costs on the basis of the scale set out in Tribunal Practice Notice 4/2007, as follows:

Considering the opposition and filing Counterstatement	£200
Considering evidence	£600
Filing written submissions	£300
Total	£1100

53. I order Diamant Software GmbH & Co. KG to pay EUI Limited the sum of £1100 which, in the absence of an appeal, should be paid within seven days of the expiry of the appeal period.

**Dated this 9th day of September 2014**

**Judi Pike  
For the Registrar,  
the Comptroller-General**