

**O-328-17**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3193425 BY  
NICOVENTURES HOLDINGS LIMITED**

**TO REGISTER:**



**AS A TRADE MARK**

**IN CLASSES 34 & 35**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 60000572 BY  
THE LONDON VAPE COMPANY LTD**

## Background & pleadings

1. On 26 October 2016, Nicoventures Holdings Limited (“the applicant”) applied to register the trade mark shown on the cover page of this decision for the goods and services shown in paragraph 17 below.

The application was published for opposition purposes on 6 January 2017.

2. On 3 February 2017, the application was opposed in full under the fast track opposition procedure. The Form TM7F indicates that the opponent is “The London Vape Company” (“the opponent”); I will return to this point below. The opposition is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) .The opponent relies upon United Kingdom registration no. 3167398 for the following trade mark



which has an application date of 1 June 2016, a registration date of 2 September 2016 and which stands registered for the goods shown in paragraph 17 below. The opponent states:

“With such a small industry the similarity in the names are almost indistinguishable.”

3. The applicant filed a counterstatement in which it admits that the goods upon which the opposition is based “are identical to the goods applied for in class 34”. The applicant also admits “that there is a degree of similarity between these goods and the services applied for in class 35.” The applicant denies that the application “is similar overall to the opponent’s mark”, or, if there is “any level of overall similarity between the respective marks...there is any likelihood of confusion when the goods and services in question are taken into consideration.”

4. In these proceedings, the opponent represents itself; the applicant has been represented by Baker McKenzie LLP (“BM”).

5. Rule 6 of the Trade Marks (Fast Track Opposition)(Amendment) Rules 2013, S.I. 2013 2235, disapplies paragraphs 1-3 of Rule 20 of the Trade Mark Rules 2008, but provides that Rule 20(4) shall continue to apply. Rule 20(4) states that:

“(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit.”

6. The net effect of these changes is to require parties to seek leave in order to file evidence in fast track oppositions. In a letter accompanying the counterstatement, BM stated:

“As the opposition has been filed using the Fast Track, we also request either the opponent’s acknowledgement of the descriptive and non-distinctive nature of the English words “VAPE” and “CO” or the UK IPO’s confirmation that these are facts sufficiently in the public domain such that evidence is not required in support. In the event that we do not receive confirmation of this, we hereby request the Registrar’s permission to submit evidence in support of the defence of the opposition.”

7. In an official letter dated 3 April 2017, the tribunal responded to the above request in the following terms:

“The request has been considered and the preliminary view is that the applicant should be permitted leave to file such evidence. This evidence must relate to the way in which the goods are bought and the nature of the word ‘VAPE’ for these goods and services. Evidence on any other point will not be admitted.”

8. No objection was received from the opponent to this approach. The applicant’s evidence consists of a witness statement from Rachel Wilkinson-Duffy, a senior trade mark associate at BM. It is accompanied by five exhibits; I will return to this evidence later in this decision. The tribunal gave the opponent an opportunity to indicate if it wished to reply to the applicant’s evidence; although no response to that invitation was received, in an email dated 17 May 2017, the opponent stated:

“I have been instructed to inform the IPO that we have nothing further to add to this case.”

9. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if (i) the Office requests it or (ii) either party to the proceedings requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost; otherwise, written arguments will be taken. A hearing was neither requested nor considered necessary; only the applicant filed written submissions which I will refer to, as necessary, below.

## **DECISION**

10. The opposition is based upon section 5(2)(b) of the Act, which reads as follows:

“5 (2) A trade mark shall not be registered if because –

(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.”

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

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

(a) a registered trade mark, international trade mark (UK) or 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,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

12. I begin by noting that the opponent’s name and address details that were recorded on the Form TM7F were as follows: The London Vape Company, 9 Silver Street, Enfield, London, EN1 3EF. However, the proprietor of the earlier trade mark is recorded on the Trade Marks Register as The London Vape Company Ltd (the address details are the same as that shown above). The name of the opponent recorded on the Form TM7F and that of the proprietor differs in that the proprietor’s name also includes the word “Ltd”. At first blush this may appear a trivial difference. However, as paragraph 2 of The Trade Marks (Relative Grounds) Order 2007 makes clear:

“2. The registrar shall not refuse to register a trade mark on a ground mentioned in section 5 of the Trade Marks Act 1994 (relative grounds for refusal) unless objection on that ground is raised in opposition proceedings by the proprietor of the earlier trade mark or other earlier right.”

13. As the opponent is without professional representation in these proceedings, I assume the failure to include the word “Ltd” on the Form TM7F was simply a slip on the part of the person completing the Form on the opponent’s behalf. As this slip was not picked up by the tribunal and has not been commented upon by the applicant in its Form TM8, evidence or submissions filed in lieu of a hearing (in fact all three documents refer to the other side as “The London Vape Company Ltd”), I intend to proceed on the basis that the opponent (as recorded on the Form TM7F) and the proprietor are one and the same.

14. The registration upon which the opponent relies qualifies as an earlier trade mark under the above provisions. As this earlier trade mark is not subject to proof of use, the opponent is entitled to rely upon all of the goods it has identified.

## **The applicant's evidence**

15. This consists of the witness statement mentioned above accompanied by the following exhibits:

**RWD1:** consists of an extract obtained from [www.thefreedictionary.com](http://www.thefreedictionary.com) on 3 May 2017 which indicates that “vape” means, for example, “to inhale and exhale vapor from an e-cigarette or a similar electronic device”, “to engage in such an activity regularly or habitually”, “an e-cigarette or a similar electronic device” and “the act of vaping”:

**RWD2:** consists of the results of the first page of a Google search for the words “vape products uk” conducted on 3 May 2017 and printouts from the various websites contained within the hits which incorporate the word “vape” in the domain name;

**RWD3:** consists of three website extracts (from prior to and after the material date) two of which are of UK origin. The articles contain references to, for example, “Vaping” and “Vape” in the context of the goods and services at issue in these proceedings;

**RWD4:** consists of a further extract from [www.thefreedictionary.com](http://www.thefreedictionary.com) obtained on 3 May 2017 indicating, inter alia, that “Co or co” is an “abbreviation for 1. (Commerce) (esp. in names of business organisations) Company...”

**RWD5:** consists of an extract from a search conducted on [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) on 3 May 2017 for the combination “& Co” which retrieved in excess of 1.3 million hits.

## **Section 5(2)(b) – case law**

16. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case

C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

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

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of goods and services**

17. The competing goods and services are as follows:

<b>The opponent's goods</b>	<b>The applicant's goods and services</b>
<b>Class 34</b> - Electronic cigarettes; Liquid nicotine solutions for use in electronic cigarettes; electronic cigarettes.	<b>Class 34</b> - Electronic cigarettes; cartridges for electronic cigarettes; liquids for electronic cigarettes; cigarettes containing tobacco substitutes; tobacco substitutes; cigarettes; tobacco; tobacco products; cigarette cases; cigarette boxes.  <b>Class 35</b> - Retail store services connected with the sale of e-cigarettes, electronic cigarettes, liquid solutions for



	use in electronic cigarettes, tobacco, smokers' articles, matches, personal vaporisers and electronic cigarettes and flavourings and solutions therefore.
--	---

18. As the applicant admits that the opponent's goods in class 34 are identical to its goods in class 34, it is not necessary for me to conduct my own analysis in this regard. The applicant also admits "that there is a degree of similarity" between the opponent's goods and its services in class 35. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the General Court ("GC") held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.

19. In *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14, Mr Geoffrey Hobbs Q.C. as the Appointed Person reviewed the law concerning retail services v goods. He said (at paragraph 9 of his judgment) that:

"9. The position with regard to the question of conflict between use of **BOO!** for handbags in Class 18 and shoes for women in Class 25 and use of **MissBoo** for the Listed Services is considerably more complex. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is requested in general terms; (iii) for the purpose of determining whether such an application is objectionable under Section 5(2)(b), it is necessary to ascertain whether there is a likelihood of confusion with the opponent's earlier trade mark in all the circumstances in which the trade mark applied for might be used if it were to be registered; (iv) the criteria for determining whether, when and to what degree services are 'similar' to goods are not clear cut."

20. However, on the basis of the European courts' judgments in *Sanco SA v OHIM*<sup>1</sup>, and *Assembled Investments (Proprietary) Ltd v. OHIM*<sup>2</sup>, upheld on appeal in *Waterford Wedgwood Plc v. Assembled Investments (Proprietary) Ltd*<sup>3</sup>, Mr Hobbs concluded that:

- i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer's point of view, they are unlikely to be offered by one and the same undertaking;
- ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services normally associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the applicant's trade mark;
- iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark was registered for goods X;
- iv) The General Court's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or proposed to be registered).

21. As the case law above makes clear, there are a range of factors one must consider when deciding if the retailing of particular goods may be complementary to those goods, distributed through the same trade channels, and therefore similar to a degree. Although the applicant admits there is a "degree of similarity" between the goods and services at issue, it does not clarify what it means by this i.e. is it a low, medium or high degree? I shall proceed on the basis that the opponent's goods in

---

<sup>1</sup> Case C-411/13P

<sup>2</sup> Case T-105/05, at paragraphs [30] to [35] of the judgment

<sup>3</sup> Case C-398/07P

class 34 are similar to the applicant's retail services to at least a low degree, returning to this point when I consider the likelihood of confusion.

### **The average consumer and the nature of the purchasing act**

22. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods and services at issue; I must then determine the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

23. I have no submissions on either who is the average consumer for the goods and services at issue or how such goods and services will be selected. However, as I understand it, the age at which electronic cigarettes may be bought legally is 18. The average consumer is, therefore, a member of the general public who has attained the age of 18. As the evidence shows, the goods at issue may be selected from, for example, the pages of a website as well as from traditional bricks and mortar retail outlets on the high street. This suggests that visual considerations are likely to form a significant part of the selection process. However, as the goods may also be the subject of word-of-mouth recommendations and requests to sales assistants in, for example, retail outlets on the high street and by telephone, aural considerations will, in my view, have a not insignificant part to play. I now turn to consider how the average consumer will select a retail outlet for the goods at issue. As the average consumer is most likely to encounter those undertakings retailing the goods at issue

on, for example, signage on the high street or the pages of a website, visual considerations will, once again, be an important part of the selection process. Similarly, word of mouth recommendations from one consumer to another in the context of, for example, price, payment methods, breadth of goods stocked, opening hours, speed of delivery, customer service etc. suggests that aural considerations will also have their part to play in the selection process.

24. As to the degree of care the average consumer will display when selecting the goods at issue, the evidence shows that that such goods are sold in a range of styles, strengths and flavours; costs also vary; some examples contained in the evidence are listed at “£194.95” and “£59.95” (page 11 of exhibit RWD2) and “£48.99”, “£80.00” and “£42.00” (page 32 of exhibit RWD2). Thus it appears to me that the average consumer is likely to pay a reasonably high degree of attention to the selection of the goods at issue. I have already identified a number of factors likely to engage the average consumer’s thinking when selecting a retail outlet for the goods at issue. The average consumer is, as a consequence, likely to pay at least a reasonable degree of attention to the selection of the retail services at issue.



### **Comparison of trade marks**

25. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union (“CJEU”) stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of

that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

26. It would be wrong, therefore, artificially to dissect the trade marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions they create. The trade marks to be compared are as follows:

The opponent’s trade mark	The applicant’s trade mark
 The trade mark for 'The Vape.co' consists of a semi-circular graphic on the left, followed by the word 'THE' in small black capital letters, and 'vape.co' in a larger, lowercase, sans-serif font.	 The trade mark for 'VAPE & Co' features the word 'VAPE' in a stylized, multi-colored font (blue, orange, red), followed by '&' and 'Co' in a similar multi-colored font.

27. The opponent’s trade mark consists of a number of components. The first is a semi-circular device presented in black which appears at the start of the trade mark and which extends from the top to almost the bottom of the letter “a”. Although it appears at the start of the trade mark and will contribute to the overall impression it conveys, it has little or no distinctive character. The second component is the word “THE” presented in black in block capital letters. It is very small in the context of the trade mark as a whole, lacks distinctive character and may go unnoticed. If it is noticed, it will contribute to the manner in which other components in the trade mark are construed. Below this word appears a device of what I take to be a stylised representation of an electronic cigarette, the lower portion of which is presented in the colour turquoise and which together with the upper portion which is presented in black, forms a letter “V”. Although when considered in isolation this device may have some distinctive character, when considered in the context of its size and the role it plays in the trade mark as a whole, its overall impression and distinctiveness will, in my view, be very limited. To the right of this device/letter “V” appears the lowercase letters “apeco” presented in black with a “.” appearing after the letter “e” and before the letter “c”. If the word “THE” is noticed, it will combine with the device/letter I have described earlier and in so doing create a unit which will lead to the trade mark being understood as “THE Vape.co” It is this unit which will make by far the greatest

contribution to the overall impression the trade mark conveys and its distinctiveness. If the word “THE” goes unnoticed, the above conclusion applies equally to the unit that will be understood as “Vape.co”.

28. The applicant’s trade mark also consists of a number of components. The first is a rectangular border. Although it will contribute to the overall impression conveyed, it has little or no distinctive character. The second component consists of the word “VAPE” (presented in upper case), an ampersand symbol and the abbreviation “Co” (presented in title case). These words and symbol are presented in a stylised but unremarkable font in the colours orange, blue and red. It is the unit created by these words which lend the trade mark its distinctiveness and which will dominate the overall impression the applicant’s trade mark conveys.

### **The visual, aural and conceptual comparison**

29. It is beyond argument that the competing trade marks share the letters “a-p-e-c-o”/“A-P-E-C-O” in the same order. Construed in the manner I suggest above, they also share the letter “V” i.e. they share the letters “V-a-p-e.c-o”/ “V-A-P-E-C-o” in the same order. Considered in that context and notwithstanding the presence of the other components in the competing trade marks (in particular the “.” in the opponent’s trade mark, the ampersand symbol in the applicant’s trade mark and the colours in which the trade marks are presented), it results in a high degree of visual similarity between them.

30. The opponent’s trade mark is most likely to be referred to as “THE Vape [dot] co” or “Vape [dot] co”, whereas the applicant’s trade mark will be referred to as “VAPE [and] Co. It is, I think, self-evident that the competing trade marks are aurally similar to a high degree.

31. Finally, the conceptual comparison. In my view, the opponent’s trade mark is likely to evoke the concept of either the preeminent undertaking engaged in the vaping market (where the word “THE” will be construed as an intensifier) or simply an undertaking engaged in the vaping market. As the presence of the “.” after the component which will be construed as the word “Vape” is reminiscent of a partial

domain name, for example, “.co.uk”, the opponent’s trade mark is suggestive of an undertaking with an on-line presence. Although the applicant’s trade mark also contains a concrete link to both vaping and a corporate identifier, in my experience, the presentation of the symbol and abbreviation “& Co” more usually follows the (sur)name of a person, for example, “C J Bowen & Co” or “Bowen & Co”. Regardless, as both parties’ trade mark are likely to evoke the concept of undertakings engaged in the vaping market, if not identical, they are conceptually similar to at least a high degree.

### **Distinctive character of the earlier trade mark**

32. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM* (LITE) [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

33. These are fast track opposition proceedings in which it was not necessary for the opponent to provide evidence of the use it may have made of its earlier trade mark and it did not do so. As a consequence, I have only its inherent characteristics to consider. In its submissions, the applicant states that the words “vape” and abbreviation “Co are “entirely descriptive and non-distinctive” and its evidence confirms this to be the case. These conclusions are unlikely to be controversial. In its submissions, the applicant states:

“11, As both the elements “VAPE” and “CO” are entirely descriptive and devoid of any distinctive character, it must follow that neither the applicant’s mark nor the opponent’s mark can provide exclusive rights in these words. It

is only the stylisation of the respective marks which gives them distinctiveness.”

34. I agree that the word “THE”, the component that will be understood as the word “Vape” and the abbreviation “co” are descriptive and non-distinctive. Considered on that basis and as the other components in the opponent’s trade mark will make very little if any contribution to the distinctiveness of the opponent’s trade mark as a whole, it is, absent use, possessed of a very low degree of inherent distinctive character. Of course, it is only the distinctiveness of the shared components that matter; I will return to this point below.

### **Likelihood of confusion**

35. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent’s trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods and services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision I concluded that:

- the competing goods in class 34 are identical;
- the applicant’s services in class 35 are similar to the opponent’s goods to at least a low degree;
- the average consumer of the goods and services at issue is a member of the general public who has attained the age of 18;



- while visual considerations will form a significant part of the selection process for the goods and services at issue, aural considerations will also play their part;
- the average consumer will pay a relatively high degree of attention to the selection of the goods and at least a reasonable degree of attention to the selection of the services;
- the units created by components which will be understood as either “THE Vape.co” or “Vape.co.” will make by far the greatest contribution to the overall impression the opponent’s trade mark conveys and its distinctiveness;
- the unit created by the combination “Vape & Co” will dominate the overall impression the applicant’s trade mark conveys and its distinctiveness;
- the competing trade marks are visually and aurally similar to a high degree and conceptually similar to at least a high degree;
- absent use, the opponent’s trade mark is possessed of a very low degree of inherent distinctive character.

36. In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He stated:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be

confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

37. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out. As I mentioned earlier, in my view, the distinctive character of the opponent’s trade mark lies primarily in units which will be understood as either “THE Vape.co” or “Vape.co.” Given both the size of the word “THE” in the context of the trade mark as a whole and its inherently non-distinctive nature, it follows that even in that unit, it is in the combination “Vape.co” in which whatever distinctive character the opponent’s trade mark may possess lies. In its submissions, the applicant states:

“16. As [the competing trade marks] only coincide in elements which are descriptive and non-distinctive and all distinctive elements are entirely dissimilar, there cannot be a likelihood of confusion.

17. Consumers will understand that different entities will want to use the descriptive terms “VAPE” and “CO” to refer to a company that provides vape products and services and will be able to readily distinguish between signs which differ in stylisation and overall structure to such an extent. This is supported by the evidence showing such descriptive use by multiple third parties as part of their company name or branding.”

38. As the applicant points out, its evidence (provided as exhibit RWD2), shows the following undertakings using both the word “vape” and the abbreviation “co” in their domain names: vapesuperstore.co.uk, vapestore.co.uk, vapeclub.co.uk, vapestoreuk.co.uk and thevapeshop.co.uk. However, even if they are non-distinctive, the domain names of those undertakings also have additional elements which, arguably, assist in distinguishing one from the other i.e. “super”, “club”, “uk” and “shop”.

39. Although the opponent's trade mark has a very low i.e. weak distinctive character, that does not preclude a likelihood of confusion. In *L'Oréal SA v OHIM*, Case C-235/05 P, the CJEU found that:

"45. The applicant's approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders."

40. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods/services down to the responsible undertakings being the same or related.

41. Notwithstanding the very low degree of distinctive character the opponent's trade mark possesses, the fact remains that identical goods, and services which are similar to at least a low degree, are in play and the competing trade marks are visually and aurally similar to a high degree and conceptually similar to at least a high degree.

42. I have found that the average consumer will pay a relatively high degree of attention to the selection of the goods and at least a reasonable degree of attention to the selection of the services at issue. Although these levels of attention will make

them less prone to the effects of imperfect recollection. I am, nonetheless, satisfied that the degree of similarity in the competing goods and services I have identified above combined with the similarity in the competing trade marks will lead to a likelihood of confusion. Given the high degree of aural similarity between the competing trade marks (which I have concluded is a not insignificant feature of the selection process), such confusion in those circumstances is likely to be direct i.e. one trade mark will be mistaken for the other. Although I accept that the competing trade marks are more different visually, direct confusion through imperfect recollection is still, in my view, a real likelihood. However, even if I am wrong in that regard, the overall similarity in the competing trade marks is, in my view, likely to lead the average consumer to assume that the applicant's trade mark is, for example, a variant form or updated version of the opponent's trade mark i.e. an economic connection will be assumed between the competing trade marks leading to indirect confusion.

### **Overall conclusion**

43. The opposition has succeeded and, subject to any successful appeal, the application will be refused.

### **Costs**

44. As the opponent has been successful, it is entitled to a contribution towards its costs. Awards of costs in fast track opposition proceedings filed after 1 October 2015 are governed by Tribunal Practice Notice ("TPN") 2 of 2015. Using that TPN as a guide, I award costs to the opponent on the following basis:

Official fee:	£100
Preparing a statement and considering the applicant's statement:	£100
Considering the applicant's evidence:	£100

**Total:**

**£300**

45. I order Nicoventures Holdings Limited to pay to The London Vape Company Ltd the sum of £300. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 13<sup>th</sup> day of July 2017

**C J BOWEN**

**For the Registrar**