

O-394-17

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3195924
BY LONG ARM BREWING CO LTD
TO REGISTER**




**AS A TRADE MARK
IN CLASS 32
AND
IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 600000616 BY ROBOT ENERGY LIMITED**

BACKGROUND

1. On 9 November 2016 Long Arm Brewing Co Ltd (“the applicant”) applied to register the trade mark shown on the cover page of this decision for goods in class 32.

2. The application was published for opposition purposes on 16 December 2016 and a notice of opposition was subsequently filed by Robot Energy Limited (“the opponent”) under the fast track procedure. The opposition is based upon Sections 5(1) and 5(2)(b) of the Trade Marks Act 1994 (“the Act”) and is directed against all of the goods in the application. The opponent relies on the European Union Trade Mark (EUTM) shown in the table below:

EUTM details	Goods relied upon
<p data-bbox="204 969 512 999">EUTM No. 16003089</p>  <p data-bbox="204 1285 644 1319">Filing date: 5 November 2016</p> <p data-bbox="204 1339 603 1373">Priority date: 31 May 2016</p> <p data-bbox="204 1393 606 1426">Priority Country: Germany</p> <p data-bbox="204 1447 730 1480">TM from which priority is claimed:</p> <p data-bbox="204 1500 440 1534">3020162158410</p> <p data-bbox="204 1554 743 1588">Registration date: 27 February 2017</p>	<p data-bbox="809 969 1358 1218">Class 32: Beer and brewery products; Energy drinks; Fruit juice beverages; Bottled drinking water; Soft drinks; Preparations for making beverages; Waters [beverages].</p>

3. The opponent contends that the application “was filed in bad faith after the opponent had warned the applicant on likelihood of confusion with another TM named “PEACE MAKER”. Although the opponent has made some comments which would be indicative of a claim based on Section 3(6) of the Act, i.e. bad faith, by choosing to file a fast-track opposition, it elected a procedure where grounds other than those based upon Sections 5(1) and 5(2) are not permitted. Accordingly, in the

absence of a request to add grounds based on Section 3(6), I will discount the opponent's comments in this regard.

4. The applicant filed a counterstatement in which it denies the ground of opposition.

It states:

"The marks are clearly not identical and therefore the ground under Section 5(1) cannot succeed.

The marks are dissimilar and therefore the ground under Section 5(2)(b) cannot succeed.

The Opponent's mark consist of a right hand forming a 'V' shape with two forefingers. The hand has no arm length and is presented as an outline or a silhouette without any detail such as finger nails or lines and creases on the inside of a human hand.

On the other hand, the Applicant's mark consists of the device of an entire left forearm including the hand. The hand element forms a 'V' shape and contains details such as finger nails, lines and creases. The hand element of the Applicant's device is a more realistic and humanised representation than the Opponent's device."

5. Rules 20(1)-(3) of the Trade Marks Rules (TMR) (the provisions which provide for the filing of evidence) do not apply to fast track oppositions but Rule 20(4) does. It reads:

"(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 the above is to require parties to seek leave in order to file evidence (other than the proof of use evidence which is filed with the notice of opposition) in fast track oppositions.

7. No leave was sought in respect of these proceedings.

8. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if 1) the Office requests it or 2) 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.

9. The applicant has been represented throughout by Keltie LLP, the opponent by Sandra Santos of Mapa Trademarks. A hearing was neither requested nor considered necessary. Neither party filed written submissions.

DECISION

Section 5(1)

10. Section 5(1) of the Act provides:

“5. – (1) a trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trademark is applied for are identical with the goods or services for which the earlier trade mark is protected.”

11. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, the Court of Justice of the European Union (CJEU) held that:

“54... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.”

12. Whilst both marks consist of the same two-finger hand gesture, the presence of the forearm in the applicant’s mark, in particular, creates a difference between the marks which, in my view, is not likely to go unnoticed by the average consumer. As

such, the marks are not identical. It follows that the claim under section 5(1) of the Act must fail.

Section 5(2)(b)

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

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”.

14. An earlier trade mark is defined in Section 6 of the Act, which states:

“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.

15. The opponent's mark is an earlier mark, which is not subject to proof of use because, at the date of publication of the application, it had not been registered for five years. Consequently, the opponent may rely upon all of the goods shown at paragraph 2, above.

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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

17. In the judgment of the CJEU in *Canon*, Case C-39/97, the Court stated at paragraph 23:

“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”.

18. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

19. In *Gérard Meric v OHIM*, Case T- 133/05, the General Court (GC) stated:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

20. The competing goods are as follows:

The opponent’s goods	The applicant’s good
<p>Class 32: Beer and brewery products; Energy drinks; Fruit juice beverages; Bottled drinking water; Soft drinks; Preparations for making beverages; Waters [beverages].</p>	<p>Class 32: Beer, ale, lager, bitter, shandy; non-alcoholic beverages; non-alcoholic beer.</p>

21. *Beer* appears in both parties' specifications and is identical. The contested *ale*, *lager* and *bitter* are types of beer which are encompassed by the opponent's *beer* so, on the basis of the principle outlined in *Meric*, these goods must be considered identical. Likewise, the opponent's *beer* would include alcoholic and non-alcoholic beer, so the contested *non-alcoholic beer* falls within the opponent's *beer* and the respective goods are identical. The contested *shandy* is a mixed beverage containing beer; depending on the alcoholic content, it must be encompassed by either *beer* and *brewery products* or *soft drinks* in the opponent's specification. In any event, even if the goods are not identical they must be highly similar, as mixed beverages based on beer might be substituted for either beer or non-alcoholic beverages. The nature, purpose and method of use are all highly similar, there would be some competition and the channels of trade would be the same or highly similar. Finally, the contested term *non-alcoholic beverages* is wide enough to encompass the opponent's *energy drinks*, *fruit juice beverages*, *bottled drinking water*, *soft drinks and waters [beverages]* and the goods are to be regarded as identical on the principle outlined in *Meric*.

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 at issue; I must then determine the manner in which these goods will be selected 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. The average consumer of the parties' goods is a member of the general public although for alcoholic beverages the average consumer will be over 18 years of age. The goods are made available through a variety of trade channels such as supermarkets, off-licences and websites as well as bars, public houses and restaurants. The average consumer will either self-select the goods from a shelf in a supermarket/off-licence (or its online equivalent) or purchase the goods in licensed premises where the goods will be on display so that they can be seen¹. Therefore, the visual impact of the mark will take on more significance although I do not discount the potential for aural considerations, as goods may be ordered orally from a member of staff. Although none of the goods are particularly costly and are fairly frequent purchases, the level of attention will be average, the consumer paying the attention necessary to obtain the right product, taking into account factors such as strength (for alcoholic beverages), taste and flavour.

Comparison of marks



24. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The 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.”

¹ *Simonds Farsons Cisk plc v OHIM*

25. It would be wrong, therefore, artificially to dissect the 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 created by the marks.

26. The marks to be compared are:

Earlier mark	Applied for mark
	

Overall impression

27. The earlier mark consists of the front of a stylised human right hand presented in shades of grey on a black square background. The use of the colour creates areas of light and shadow. The index and middle fingers are raised and parted so as to resemble the letter 'V' while the other fingers are clenched. In my view, the background being a banal shape adds very little to the overall impression and the distinctiveness of the mark rests in the figurative element.

28. The applicant's mark consists of a line drawing of the front of a human left hand and forearm. The index and middle fingers point up to form a 'V' with the other fingers folded over the palm which is facing outward. The applicant itself refers to the hand element of its mark forming a 'V' shape. As this is the only element of the applicant's trade mark, this is the overall impression it will convey.

Visual similarity

29. Both marks are representations of a human hand performing a two-finger gesture. I agree with the applicant that due to the use of contour lines which imply fingers and the creases that go across the palm and knuckles, the hand reproduced in its mark looks more realistic than the one represented in the earlier mark. Further, the contested mark includes the representation of a forearm which has no counterpart in the earlier mark and the marks differ in that the earlier mark represents a right hand whereas the contested mark reproduces a left hand. That said, neither the stylisation/contrast of shades of the earlier mark nor the representation of the contested mark are remarkable. In my view there is a reasonably high degree of visual similarity.

Aural similarity

30. Purely figurative marks are not subject to an aural assessment. As both marks are purely figurative, it is not necessary to compare them aurally².

Conceptual similarity

31. Both marks reproduce a two-finger hand gesture. Although neither party has made submissions on conceptual similarity, the opponent seems to refer to its mark as a “peace maker” mark and the applicant uses the words “V shape” to describe the gesture reproduced in both marks. This coincides with my own perception of the mark and I am satisfied that my own state of knowledge is likely to accord with that of the average consumer of the goods at issue. In this connection, the Collins English Dictionary contains the following definition:

² *Dosenbach-Ochsner AG Schuhe und Sport v OHIM*, Case T- 424/10 paragraph 46

“V-sign in British

Noun

1. (In Britain) an offensive gesture made by sticking up the index and middle fingers with the palm of the hand inwards as an indication of contempt, defiance, etc.
2. A similar gesture with the palm outwards meaning victory or peace”

32. In my view the average UK consumer of the goods at issue will be familiar with the meaning of the ‘V’ sign and given the orientation of the hands in the competing marks, i.e. with the palm facing outward, he/she is likely to perceive both marks as signs meaning victory or peace. However, I am mindful of the decision of Anna Carboni (sitting as the Appointed Person) in the *Chorkee* case (BL O-048-08), in which she concluded that the average consumer cannot be expected to know the meaning of everything. She stated in relation to the word CHEROKEE:

“36...By accepting this as fact, without evidence, the Hearing Officer was effectively taking judicial notice of the position. Judicial notice may be taken of facts that are too notorious to be the subject of serious dispute. But care has to be taken not to assume that one’s own personal experience, knowledge and assumptions are more widespread than they are.

37. I have no problem with the idea that judicial notice should be taken of the fact that the Cherokee Nation is a Native American tribe. This is a matter that can easily be established from an encyclopedia or internet reference sites to which it is proper to refer. But I do not think that it is right to take judicial notice of the fact that the average consumer of clothing in the United Kingdom would be aware of this. I am far from satisfied that this is the case. No doubt, some people are aware that CHEROKEE is the name of a native American tribe (the Hearing Officer and myself included), but that is not sufficient to impute such knowledge to the average consumer of clothing (or casual clothing in the case of UK TM no. 1270418). The Cherokee Nation is not a common subject of news items; it is not, as far as I am aware, a common topic of study in schools in the United Kingdom; and I would need evidence to convince me, contrary to my own experience, that films and television shows about native

Americans (which would have to mention the Cherokee by name to be relevant) have been the staple diet of either children or adults during the last couple of decades.”

33. Even if the average consumer does not associate the parties’ respective marks with a “peace sign” or a “victory sign”, they will consider both marks to refer to a hand performing the same two-finger gesture. Accordingly, the marks are conceptually identical.

Distinctive character of the earlier mark

34. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated at paragraphs 22 and 23 that:

“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).

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).”

35. As no evidence of use has been filed by the opponent, I have only the inherent distinctive character to consider. The earlier mark has no meaning in respect of the goods at issue, it is neither allusive nor descriptive. Even if the average consumer is familiar with the meaning of the 'V sign' reproduced in the earlier mark, there is no evidence that that sign is prevalent in relation to goods in class 32. As a consequence the mark enjoys an average degree of inherent distinctive character.

Likelihood of confusion

36. 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 marks may be offset by a greater degree of similarity between the respective goods and vice versa. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has retained in his mind.

37. There are two types of relevant confusion to consider: direct confusion (where one mark is mistaken for the other) and indirect confusion (where the respective similarities lead the consumer to believe that the respective goods and/or services come from the same or a related trade source). This distinction was summed up by Mr Iain Purvis Q.C. sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from

the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

38. I have found that the goods of the competing specifications are identical or highly similar and that the competing marks are visually similar to a reasonably high degree and conceptually identical. I have also found that the earlier mark has an average degree of distinctive character and that both marks use the same two-finger hand gesture as a badge of origin, thus creating a similar overall impression. Owing to the closeness of the goods and the similarity of the marks, I find that it is likely that the average consumer will imperfectly recollect one mark as being the other. Further, even if the differences between the marks are noticed, there is a likelihood of indirect confusion as it is likely that the average consumer encountering the applied for mark would assume that it is a variant of the earlier mark and that the goods are offered by the same or economically related undertakings. Accordingly **there is a likelihood of confusion.**

CONCLUSION

39. The opposition succeeds.

COSTS

40. As the opponent has been successful, it is entitled to a contribution towards its costs. Awards of costs in Fast Track opposition proceedings are governed by Tribunal Practice Notice (TPN) 2/2015. I award costs to the opponent on the following basis:

Official fees:	£100
Preparing a statement and considering the other side's statement:	£200
Total:	£300

41. I order Long Arm Brewing Co Ltd to pay Robot Energy Limited the sum of £300 as a contribution towards its costs. 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 21st day of August 2017

**Teresa Perks
For the Registrar
The Comptroller – General**