

O-401-18

TRADE MARKS ACT 1994

IN THE MATTER OF:

TRADE MARK APPLICATION 3192534

IN THE NAME OF

STEVEN NEWMAN

FOR THE TRADE MARK:



AND

**OPPOSITION THERETO (UNDER No 408423) BY
ELMDENE GROUP LIMITED**

Background and pleadings

1. On 21 October 2016, Mr Steven Newman (“the applicant”) applied to register the trade mark shown on the cover page of this decision in respect of the following goods and services:

Class 19: Wood; Wood for building; Building materials of wood; Building components of wood; Timber boarding; Structural timber; Construction timber; Sawn wood; Sawn timber; Cladding materials (Non-metallic -); Cladding sheets (Non-metallic -); Cladding sheets of wood; Wooden decking boards; Hardwood decking boards; Softwood decking boards; Non-metal decking; Non-metal shingles.

Class 35: Advertising, promotional and marketing services; Retail services connected with the sale of wood, wooden building materials, wooden building components, timber, structural timber, construction timber, cladding materials, cladding sheets, wooden decking boards and wooden shingles.

Class 43: Provision of food and drink; Café services; Snack bar services; Restaurant services.

The mark was published for opposition purposes on 4 November 2016.

2. Registration of the mark is opposed by Elmdene Group Limited (“the opponent”) under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under the first two grounds, the opponent relies on the following four trade marks:

i) UK trade mark registration 2434367 for the series of four marks **MILLBOARDS**, **MILL BOARDS**, **MILLBOARD** and **“MILLBOARDS”** which were filed on 3 October 2006 and registered on 3 August 2007 in respect of the following goods:

Class 6: Floor coverings; floor materials; decking; panels and multi-panel ground decking; parts and fittings for any of the aforesaid goods; all included in the class.

Class 19: Floor coverings; floor materials; decking; panels and multi-panel ground decking; artificial wood, rocks or stone; parts and fittings for any of the aforesaid goods; all included in the class.

Class 27: Temporary and removable floor covering; floor coverings constructed from interlocking panels; parts and fittings therefor.

ii) UK trade mark registration 3045421 for the mark **MILLBOARD** which was filed on 6 March 2014 and registered on 13 June 2014 in respect of the following goods:

Class 6: Metal building materials; ironmongery, small items of metal hardware; pipes and tubes of metal; bands of metal for tying-up purposes; bindings of metal; building (framework of metal for-); building and construction materials and elements of metal; cladding boards of metal; cladding of metal for construction and building; cladding panels of metal; floor materials (metal building materials); insulated metal cladding panels for walls, ceilings or roofs; interior wall cladding of metal; internal wall cladding of metal; metal cladding; metal cladding for buildings; metal wall cladding; posts of metal; reinforcement materials (metal-) in the form of sheets, panels, slabs; soffits (metal building materials); tile flooring of metal; tiles of metal; tiles of metal for building; wall linings of metal (building); parts and fittings for any of the aforesaid goods; all included in the class.

Class 19: Building materials (non-metallic); non-metallic rigid pipes for building; non-metallic transportable buildings; artificial wood, rocks or stone; building and construction materials and elements, not of metal; building blocks; building blocks incorporating insulating materials; building boards of plastics materials; building materials of concrete reinforced with plastics and glass fibres; building materials of mineral

fibres; building materials of plastics materials; ceramic tiles; ceramic floor tiles; ceramic wall tiles; ceramic tiles for flooring, facing and lining; ceramic tiles for covering floors, internal walls, external floors, internal floors, and external walls; cladding (non-metallic-) for building; cladding (non-metallic-) for facades; cladding materials (non-metallic-); cladding sheets, boards and panels (non-metallic-); coatings (building material); construction materials of artificial stone; construction materials of natural stone; construction materials, not of metal; decking; facing boards, sheets, panels, tiles; fibre reinforced plastic construction materials; floor materials (non-metallic building materials); glass (building materials); interior wall cladding of non-metal; internal wall cladding of non-metal; interior intumescent building materials; laminates of non-metallic materials (building materials); non-metallic tiles for ceiling cladding; panels and multi-panel ground decking; partitions being non-metallic building materials; planks of non-metallic materials (building materials); reinforcing fabrics (non-metallic-) for building; strawboard (building materials); synthetic flooring materials or wall coverings; wall claddings (non-metallic-); waterproof coatings (cementitious); woven materials (non-metallic-) for use in buildings; parts and fittings for any of the aforesaid goods; all included in the class.

Class 27: Floor coverings; floor coverings constructed from interlocking sheets, panels, tiles; temporary and removable floor covering; carpets, rugs, mats, matting, linoleum and other materials for covering existing floors; wall hangings not of textile; parts and fittings therefor.

iii) European trade mark (“EUTM”) registration 10245272 for the mark **MILLBOARD** which was filed on 7 September 2011 and registered on 9 February 2012 in respect of the following goods:

Class 6: Floor materials (metal building materials); parts and fittings for any of the aforesaid goods; all included in the class.

Class 19: Floor materials (non-metallic building materials); decking; panels and multi-panel ground decking; artificial wood, rocks or stone; parts and fittings for any of the aforesaid goods; all included in the class.

Class 27: Temporary and removable floor covering; floor coverings constructed from interlocking panels; floor coverings; parts and fittings therefor

iv) International Registration (“IR”) 1218160 for the mark **MILLBOARD** which designated the EU for protection on 17 April 2014 with protection being conferred on 3 September 2015 in respect of the following goods:

Class 6: Metal building materials; ironmongery, small items of metal hardware; pipes and tubes of metal; bands of metal for tying-up purposes; bindings of metal; framework of metal for building; building and construction materials and elements of metal; cladding boards of metal; cladding of metal for construction and building; cladding panels of metal; floor materials (metal building materials); insulated metal cladding panels for walls, ceilings or roofs; interior wall cladding of metal; internal wall cladding of metal; metal cladding; metal cladding for buildings; metal wall cladding; posts of metal; metal reinforcement materials in the form of sheets, panels, slabs; soffits (metal building materials); tile flooring of metal; tiles of metal; tiles of metal for building; wall linings of metal (building); parts and fittings for any of the aforesaid goods; floor materials; decking; panels and multi-panel ground decking; all included in the class.

Class 19: Non-metallic building materials; non-metallic rigid pipes for building; non-metallic transportable buildings; artificial wood, rocks or stone; building and construction materials and elements, not of metal; building blocks; building blocks incorporating insulating materials; building boards of plastics materials; building materials of concrete reinforced with plastics and glass fibres; building materials of mineral fibres; building materials of plastics materials; ceramic tiles; ceramic floor tiles; ceramic wall tiles; ceramic tiles for flooring, facing and lining;

ceramic tiles for covering floors, internal walls, external floors, internal floors, and external walls; non-metallic cladding for building; non-metallic cladding for facades; non-metallic cladding materials; cladding sheets, non-metallic boards and panels; coatings (building material); construction materials of artificial stone; construction materials of natural stone; construction materials, not of metal; decking; facing boards, sheets, panels, tiles; fibre reinforced plastic construction materials; floor materials (non-metallic building materials); glass (building materials); interior wall cladding of non-metal; internal wall cladding of non-metal; interior intumescent building materials; laminates of non-metallic materials (building materials); non-metallic tiles for ceiling cladding; panels and multi-panel ground decking; partitions being non-metallic building materials; planks of non-metallic materials (building materials); non-metallic reinforcing fabrics for building; strawboard (building materials); synthetic flooring materials or wall coverings; non-metallic wall claddings; waterproof coatings (cementitious); non-metallic woven materials for use in buildings; parts and fittings for any of the aforesaid goods; floor materials; all included in the class.

Class 27: Floor coverings; floor coverings constructed from interlocking sheets, panels, tiles; temporary and removable floor covering; carpets, rugs, mats, matting, linoleum and other materials for covering existing floors; wall hangings not of textile; parts and fittings therefor.

3. Under section 5(4)(a), the opponent relies on the use, throughout the UK, of the sign **MILLBOARD** since 1 June 2005 in relation to the “[m]anufacture and retail services connected with the sale of flooring, decking, cladding and wood effect products.”

4. The opponent contends that its marks are similar to the applicant’s mark and that they cover identical/similar goods to the goods/services of the application. It also contends that its marks have an enhanced distinctive character. For these reasons, it considers that the application should be refused under section 5(2)(b). Under section 5(3), the opponent claims that its marks have a reputation for all of the goods for which

they are registered/protected. It contends that the similarity between the marks would lead to the applicant gaining an unfair advantage by free-riding on its reputation and that this would also lead to dilution and/or blurring of its marks' distinctiveness; this claim is, though, predicated on the basis that the relevant public will assume that the competing marks are used by the same undertaking or that there is an economic connection between them. Under section 5(4)(a), the opponent contends that it has a goodwill associated with the sign relied upon and that the use of the applicant's mark would constitute a misrepresentation which would cause damage to said goodwill.

5. The four registrations detailed above all pre-date the applied for mark and, consequently, constitute earlier marks in accordance with section 6 of the Act. Mark i) detailed above was registered more than five years before the publication of the applied for mark, so meaning that it must meet the use conditions set out in section 6A of the Act in order for it to be relied upon. To this extent, the opponent made a statement of use claiming that its mark had been used for all of the goods for which it is registered. However, the other three marks had been registered/protected for less than five years which means that they may be relied upon without having to meet the use conditions.

6. The applicant filed a counterstatement denying the grounds of opposition. It did not put the opponent to proof of use in relation to the earlier mark which is subject to the use conditions. Consequently, it may be relied upon in respect of all of the goods for which it is registered. The applicant states that there are notable differences between the marks and that the opponent's view of matters "does not represent the opinion of the relevant public". It also states that it has used its trading name for nearly two years, "freely and without issue of public confusion, misrepresentation to their origin of goods or obtaining unfair advantage".

7. Both sides filed evidence. The applicant's evidence was accompanied by written submissions. Neither side requested a hearing or filed written submissions in lieu.

Evidence

Opponent's evidence

8. A witness statement was provided by Ms Melanie Harvey, a trade mark attorney representing the opponent. I note the following from her evidence:

- The MILLBOARD trade mark relates to the name of a particular product, a composite decking board which is a wood-free alternative to timber decking.
- The domain name millboard.co.uk was registered in October 2006.
- The opponent operates a café facility at its main physical site.
- That the applicant was put on notice of the opponent's rights in January 2017, so the period of overlapping use is months (the use having started in August 2016) rather than nearly two years.
- Website prints are provided in exhibit MH3 in respect of Millboard decking, aimed at both commercial and domestic users. Reference is made to "wood-look" decking. The brochure is not dated. Also provided is a contact form and further web prints which depict products such as decking and decking fascia.
- Ms Harvey makes a number of submissions which, whilst I will not summarise here, I bear in mind.

9. A witness statement was also filed by Mr Timothy Brewer, the opponent's group accountant. I note the following from his evidence:

- Millboard was first used as a trade mark in 2007 in relation to the wood-free decking product.
- Sales in the UK have grown from £2.9 million in 2012 to over £16 million in 2016.

- The product is used in David Lloyd Health Clubs (92 around the UK). A photograph is provided, but whilst the product is laid, there is nothing to signify to users of the club what the product is.
- There is an example of advertising in the e-publication ProLandscape. This is not dated.
- Reference is made to other “recognition” as follows:
 - Recognition at the Ideal Home Show 2015 and associated press reporting (which is not provided) due to an award winner using Millboard in their design. Photographs of the winning garden design are provided, but there is nothing to signify that the trade mark Millboard was promoted in any way.
 - Millboard has been used since 2010 at the Chelsea Flower Show and that when it is used a plaque is on display. A photograph of a garden using Millboard is provided, but the claimed plaque is not visible.
 - In 2009 plans for a new hospital garden in Northwick Park were on display to clients (whose clients is not clear) to view, which included a reference to Millboard – “Millboard sustainable.. decking”.
 - In 2010 an award was won for Public Space Project of the Year. A photograph of the garden is provided, but there is no mention of Millboard.
 - Yorkshire Wildlife Park have used Millboard since 2010, but, again, the provided photograph makes no mention of Millboard.

10. A witness statement was also provided by Ms Caroline Birdsall, the opponent’s marketing manager. Some of her evidence picks up on the evidence already summarised, beyond this I note:

- 8 people work in the UK sales force, there are 40 trained installers, and 27 key distributors who have 213 merchant branches between them. There are also 201 approved resellers.
- In 2015 the opponent was awarded the accolade of being one of the Top 1000 Companies to Inspire Britain. The supporting material makes reference to the opponent, but Millboard is used as its domain name.
- Promotion takes place via its website, via social media, sales force and distributors etc.
- A marketing report for June to September 2017 is provided, but as this is after the relevant date, I do not consider it necessary to summarise this.
- An estimate of £800k is given for promotional spend per year. This is not specified as being exclusively in relation to UK promotion.
- Examples of advertising are given from Grand Designs Magazine and Pro Landscaper, but these are undated.
- Photographs are provided of garden designs by Urban Landscapes which use Millboard. Reference is made to the use of the name MILLBOARD on a plaque, a photograph of which is provided. Again, none of this is dated.
- Photographs (again undated) are provided of the goods on display in showrooms and other merchants.
- Ms Birdsall believes that any company supplying outdoor flooring with MILL in their name would be associated with the opponent and perceived to be a part of its group.

The applicant's evidence

11. A witness statement was provided by Mr Newman, the applicant for registration. I note the following from his evidence:

- The applicant's mark has been used since 2015 in relation to timber (not wood alternative) products such as fencing, decking, cladding and beams. Web prints (undated) are provided showing the mark in use in relation to such goods.
- Evidence is provided showing the Twitter and Instagram profiles for the product, with followers being 773 and 265 respectively.
- It is explained that MILLWORKS is an accredited member of The Timber Research and Development Association, The Forest Stewardship Council and the Programme for the Endorsement of Forest Certification.

The opponent's reply evidence

12. The reply evidence (accompanied by observations in reply) contains no new factual information and is just, essentially, a critique of Mr Newman's evidence and/or further submissions. I will not summarise the content here, but will bear it in mind.

Section 5(2)(b)

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

“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. The following principles are gleaned from the judgments 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:

(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 greater 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/services

15. When making a comparison, all relevant factors relating to the goods/services should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the Court of Justice of the European Union (“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.”

16. Guidance on this issue has also come from Jacob J where, in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, the following factors were highlighted as being relevant:

“(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) 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;

(f) 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.”

17. The applied for mark covers:

Class 19: Wood; Wood for building; Building materials of wood; Building components of wood; Timber boarding; Structural timber; Construction timber; Sawn wood; Sawn timber; Cladding materials (Non-metallic -); Cladding sheets (Non-metallic -); Cladding sheets of wood; Wooden decking boards; Hardwood decking boards; Softwood decking boards; Non-metal decking; Non-metal shingles.

Class 35: Advertising, promotional and marketing services; Retail services connected with the sale of wood, wooden building materials, wooden building components, timber, structural timber, construction timber, cladding materials, cladding sheets, wooden decking boards and wooden shingles.

Class 43: Provision of food and drink; Café services; Snack bar services; Restaurant services.

18. The opponent has a number of marks in a number of classes, but if one were to focus on its IR for the mark MILLBOARD, its class 19 specification covers:

Class 19: Non-metallic building materials; non-metallic rigid pipes for building; non-metallic transportable buildings; artificial wood, rocks or stone; building and construction materials and elements, not of metal; building blocks; building blocks incorporating insulating materials; building boards of plastics materials; building materials of concrete reinforced with plastics and glass fibres; building materials of mineral fibres; building materials of plastics materials; ceramic tiles; ceramic floor tiles; ceramic wall tiles; ceramic tiles for flooring, facing and lining; ceramic tiles for covering floors, internal walls, external floors, internal floors, and external walls; non-metallic cladding for building; non-metallic cladding for facades; non-metallic cladding materials; cladding sheets, non-metallic boards and panels; coatings (building material); construction materials of artificial stone; construction materials of natural stone; construction materials, not of metal; decking; facing boards, sheets, panels, tiles; fibre reinforced plastic construction materials; floor materials (non-metallic building materials); glass (building materials); interior wall cladding of non-metal; internal wall cladding of non-metal; interior intumescent building materials; laminates of non-metallic materials (building materials); non-metallic tiles for ceiling cladding; panels and multi-panel ground decking; partitions being non-metallic building materials; planks of non-metallic materials (building materials); non-metallic reinforcing fabrics for building; strawboard (building materials); synthetic flooring materials or wall coverings; non-metallic wall claddings; waterproof coatings (cementitious); non-metallic woven materials for use in buildings; parts and fittings for any of the aforesaid goods; floor materials; all included in the class.

19. I consider that all of the applied for goods in class 19, one way or another, fall within terms in the opponent's class 19 specification. As such, they are considered identical¹.

¹ See *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05

20. In terms of class 35, I see no similarity between any of the opponent's goods and the applied for "Advertising, promotional and marketing services". The fact that one may advertise and promote goods does not mean that they are providing advertising services, so they should not be regarded as similar on this basis. However, the various retail services strike me as having a complementary relationship² with the opponent's class 19 goods.

21. In terms of the applied for services in class 43, they bear no similarity whatsoever to the opponent's goods. The fact that the opponent may have a café at its main facility does not alter that fact.

22. I would, ordinarily, leave matters there. However, given that the opponent's mark is used in relation to one type of product (essentially wood-free decking, something which falls within the class 19 specification), and because the opponent claims an enhanced distinctive character resulting from its use in relation to that product, it is useful to record how similar such goods are to the applied for specification.

23. There is clearly still no similarity with the applied for services in class 43 nor with the "advertising, promotional and marketing" services in class 35. Even though the retail services are connected with wooden products, it is clear that the opponent's wood-free product is made to look like wood and could well be sold through the same trade channels as their wooden counterparts. I consider there to be a medium degree of similarity to retail services connected with the sale of wooden decking, and a low degree of similarity with the retail services connected with the sale of the other goods.

24. In terms of class 19, the opponent's wood-free decking goods are identical to the Applicant's "non-metal decking". There is also a high degree of similarity (despite the difference in material) between the opponent's wood-free decking and any terms in the Applicant's specification that are, or cover, wooden decking. In terms of the other goods specified by the applicant in class 19 (whether wood or non-metallic), there is a medium degree of similarity with the opponent's wood-free decking to the extent that

² Bearing in mind guidance such as, for example, that provided Mr Hobbs QC, sitting as the Appointed Person, in *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14,

they are construction parts of a building or other structure, may have similar purposes (such as home improvement) and may be sold through the same channels. There would only be a low degree of similarity with wood per se.

Average consumer and the purchasing act

25. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. 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.”

26. The goods and the retail services could be used both by members of the public and tradespeople. Either way, there is likely to be a normal level of care and attention used in their selection. Some of the goods (including decking) may be subject to slightly more care than the norm (but not the highest level) because decking a garden area will be an infrequent occurrence (particularly for members of the public), will likely represent a significant outlay, and care will be taken to ensure that it is fit for purpose and matches the consumer's aesthetic requirements. The goods (and retail services) will be perused in brochures, leaflets, websites and in physical premises where the marks are likely to be displayed. However, there is also the potential to request the goods aurally at trade counters etc. I think that visual characteristics take on slightly more importance, but the aural characteristics of the competing marks still have a role

to play. For the class 43 services, this is, again, a largely visual act, but where aural use may come into matters on occasion.

Comparison of marks

27. 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 the marks, 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.”

28. I will make the comparison firstly on the basis of the earlier mark(s) MILLBOARD. The relevant comparison is:

MILLBOARD

v



29. The overall impression of the opponent's mark will be based solely upon the single word of which it comprises, MILLBOARD. The applicant's mark has, essentially, two components: the zig zag lines at the top, and the words MILL WORKS below. The words play a greater role in the overall impression compared to the figurative element. Despite the separation of the words, and that one word is above the other (with the first in slightly larger font), the average consumer will see this as one component suggesting some form of works (as in an industrial place of work) that involves a mill or milling.

30. From a visual perspective, there is a point of similarity due to the commonality of MILL, however, WORKS bears little similarity to BOARD and the additional figurative element creates a further difference. The degree of visual similarity is low. Aurally, the first part of each mark's pronunciation is identical (MILL-) but the second parts are quite different (-WORKS/-BOARD). I consider this equates to a moderate (between low and medium) degree of aural similarity. Conceptually, a MILLBOARD has no concrete meaning, but it is suggestive of a board that has been produced in a mill of some form (such as a saw mill) or has been milled. The MILL WORKS mark is suggestive of an industrial place of work based on a mill or milling. Whilst the zig zags could be interpreted as teeth in a tool such as a saw, I doubt the average consumer will see this straight away. Overall, the concepts have a degree of similarity because both make a suggestive reference to a mill or milling, but the evocations they make as a whole are different.

Distinctiveness of the earlier mark(s)

31. The degree of distinctiveness of the earlier marks must be assessed. This is because the more distinctive the earlier marks, based either on inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 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).”

32. From an inherent perspective, MILBOARD is not greatly distinctive given the allusive meaning I have already identified which, clearly, has some relationship with the goods the opponent has sold, an allusive meaning which also extends to the other types of goods covered by the specification which could constitute or contain board, or has been made to look like it. The opponent has, though, put forward evidence of use with an accompanying submission that its marks’ distinctiveness has been enhanced. However, whilst, on the face of it, the sales figures appear impressive, it is not clear how much a typical installation of the opponent’s product would cost so it is not possible to ascertain, even in rough terms, how many customers it has had. There is evidence of promotional activity, but much of it is not dated and there is no evidence as to the frequency of advertising before the relevant date. There is also evidence of the product being used in particular garden installations, but some of this does not feature the mark in any way and, in relation to others, it is not clear what impact the use of a name on a plaque would have had on the average consumer. Therefore, whilst I am prepared to find that there has been some enhancement of distinctive character, I cannot say that the mark has become highly distinctive to either group of average consumer. It is distinctive to a medium level at best.

Likelihood of confusion

33. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused. Confusion can be direct (which effectively occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same, but puts the similarity that exists between the marks/services down to the responsible undertakings being the same or related). In terms of indirect confusion, this was dealt with by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 where he noted that:

“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).”

34. In terms of direct confusion, I do not consider it likely that the average consumer (in either group) will mistake one mark for the other, even when identical goods are considered, and even taking into account imperfect recollection. Put simply, the differences between the marks overall put pay to this.

35. In terms of indirect confusion, I note that Ms Birdsall, on behalf of the opponent, stated that the average consumer would regard any mark with the word MILL in it as being connected with the opponent. I disagree not only with the submission in general, but that, in relation to the marks here, the commonality of the word MILL will not signify the same or related undertaking. Whilst I accept that the word BOARD in the earlier mark is descriptive, this does not equate to the provision of an exclusive monopoly on the word MILL in whatever context it may be used. As I have said earlier, the presence in both marks of the word MILL, whilst creating some degree of conceptual (and visual and aural) similarity, provides a suggestive nod towards a mill (such as a saw mill) or something that has been milled. This is likely to be perceived by both groups of average consumer. Thus, it certainly cannot be said that MILL is so strikingly distinctive that no one other than the opponent (or a company connected to the opponent) would be producing the goods. Neither does the applied for mark strike me as an obvious brand extension or sub-brand. I bear in mind that the examples of indirect confusion set out above are just that, examples, but I can see no other basis for coming to the conclusion that a same stable assumption will be made. Further, and to be clear, I do not consider it likely that MILLBOARD will be imperfectly recalled as MILL WORKS, or vice versa.

36. I should add that in reaching the above decision I have placed no weight on the applicant's evidence of earlier trade. This is because there is insufficient evidence to assess the degree of parallel trade and what impact this may, or may not have had, on the average consumer.

Other marks/grounds

37. The other earlier marks are so close to the MILLBOARD earlier mark that there is no material difference in the assessment as to whether there is a likelihood of confusion. In terms of the other grounds of opposition, I do not consider it necessary to make any form of detailed assessment. This is because:

- i) Under section 5(4)(a), and whilst recognising that the legal test is not exactly the same, I can see no basis for concluding that any form of deception will arise having already found that there is no likelihood of confusion.
- ii) Under section 5(3), and whilst accepting that a likelihood of confusion is not a pre-requisite for success, the claim was nevertheless predicated on the basis of an existence of a likelihood of confusion. Thus, having found that there is no likelihood of confusion, the claim as made must fail.

Conclusion

38. The opposition fails. Subject to appeal, the application may proceed to registration in respect of all of the applied for goods/services.

Costs

39. I have determined these proceedings in favour of the applicant. He is, therefore, entitled to an award of costs. I award the applicant the sum of £800 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Considering the statement of case and filing a counterstatement: £300

Considering evidence³: £500

40. I therefore order Elmdene Group Limited to pay Steven Newman the sum of £800. The above sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated this 4th day of June 2018

Oliver Morris

For the Registrar,

the Comptroller-General

³ I have awarded nothing to the applicant for filing evidence because it served no purpose.