

O/653/20

TRADE MARKS ACT 1994

IN THE MATTER OF:

TRADE MARK APPLICATION NO. 3420839

BY TUV SW STANDARDIZATION CERTIFICATIONS TO REGISTER



IN CLASS 45

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 418823

BY TÜV MARKENVERBUND E.V.

BACKGROUND AND PLEADINGS

1. TÜV SW STANDARDIZATION CERTIFICATIONS ('the applicant') applied to register trade mark 3420839:



in the United Kingdom (the 'contested mark') on 13 August 2019. It was accepted and published in the Trade Marks Journal on 20 September 2019 in respect of the following services:

***Class 45:** Regulatory compliance auditing; Legal compliance auditing; Inspection Services including inspection of factories for safety purposes.*

2. TÜV Markenverbund e.V. ('the opponent') oppose the trade mark on the basis of section 5(2)(b) of the Trade Marks Act 1994 ('the Act'). The opposition is made on the basis of its UK Trade Mark, which given that it had not been protected for five years or more at the filing date of the application, is not subject to the proof of use requirements specified within section 6A of the Act. The details of this mark, alongside the services on which the opponent relies, are noted in the following table:

Earlier Trade Mark	UK Trade Mark Registration ('UKTM') no.3371422 for TÜV
Services relied upon	<i>Class 35: Commercial trade and consumer information; Commercial assessment; Procurement services, for others; Assistance in business matters; Business administration; Office functions; Business management and administrative services; Professional business analysis, research and information, in particular conformity assessments, evaluation of companies, professional business evaluations and analyses; Gathering, compilation, systemisation and maintenance, including via the</i>

internet, of test data and other data, in particular certification and company data, including messages, information, texts, graphic prints and Images, in particular in the field of certification and business consultancy and organisation, and technical and scientific consultancy, for goods and/or services, business operations, fabrics, materials, products, documentation and/or information documents, manufacturing and processing operations, manufacturing and processing methods and business organisation, in computer databases; Business consulting services; Evaluation of business opportunities with regard to professional business matters, professional business consultancy in relation to establishing and Operation of companies; Business consultancy services relating to the supply of quality management systems.

Class 42: *IT services, namely development, programming and implementation of software, development of computer hardware, hosting, software as a service (SaaS) and rental of software, rental of computer hardware and installations, IT consultancy and information, IT security, protection and repair, data duplication and Conversion, data encoding, computer analysis and diagnostics, research and development, and implementation of computers and Computer systems, computer project management, data mining, digital watermarking, computer services, technological services in relation to computers, computer network services, updating the memory banks of computer systems, data migration, updating of websites, for others, monitoring of computer systems by remote access; Scientific and technological services and design relating thereto, in particular conducting of technical examinations, conducting of technical tests, engineering, for others, surveying by means of Engineers; preparation of engineering reports, surveying, technical engineering, technical planning and consultancy; Industrial analysis and research services; Testing, authentication*

	<p><i>and quality control, in particular conformity assessments, conformity tests, consultancy in relation to quality control, consultancy in relation to quality assurance, consultancy relating to product tests, consultancy in relation to Quality control, consultancy in relation to material testing, conducting of scientific investigations, conducting of scientific tests, product testing, product safety testing, product safety tests, process monitoring for quality assurance, quality control, quality testing, safety testing and consultancy relating to consumer products, safety checks on Products, technical testing, technical tests, technical monitoring and inspection, technological safety testing, certification (quality control); Medical and pharmacological research services; Engineering services; Surveying and exploration; Natural science services; Design services; Consultancy and information in relation to the aforesaid services, included in this class.</i></p>
Relevant dates	<p>Filing date: 30 January 2019</p> <p>Date of Registration: 17 May 2019</p>

3. The opponent contends that the contested mark reproduces their earlier mark in its entirety, alongside additional non-distinctive elements and, therefore, there is an overall “*very close similarity*” between the two marks¹. The opponent also argues that the contested mark covers identical and/or highly similar services to those protected by the opponent. The opponent submits that as there exists a likelihood of confusion, the contested mark should be refused in its entirety and they are awarded costs.

4. The applicant filed a counterstatement denying the grounds of opposition. The applicant denies that the opponent’s mark is an ‘earlier mark’ and notes that they have an earlier domain name registration and various other registrations in the UAE & Pakistan (albeit without providing accompanying evidence). The applicant denies the opponent’s services are identical or highly similar to the applied for services. The applicant acknowledges that the marks share a “*very small*” aural

¹ See [Q5] of the opponent’s Form TM7 and Written Submissions

similarity, yet states they lack any visual and conceptual similarity². The applicant further contends that the common element is a generic and descriptive word, thereby lacking distinctive character. The applicant denies there is a likelihood of confusion and requests a costs award be made in its favour.

5. Neither party filed evidence in these proceedings. However, the opponent filed final written submissions instead of a hearing. These will not be summarised but will be referred to as and where appropriate during this decision.
6. No hearing was requested and, so, this decision is taken following a careful perusal of the papers to which I refer, as necessary, below.
7. Both parties have had professional representation in these proceedings. The opponent is represented by Wynne-Jones IP Limited and the applicant has been represented by Sanderana.

PRELIMINARY ISSUES

Earlier Mark

8. The opponent relies on its UK trade mark registration, detailed above in paragraph 2, as an earlier mark. Within their counterstatement the applicant denied that the opponent's registration is an earlier mark and they refer to their existing domain name (www.tuvsw.com) and apparent UAE & Pakistan applications/registrations (details of which have not been provided).
9. 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 –

² See paragraphs [3.4] and [3.6] of the applicant's Counterstatement

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.”

10. In response to the counterstatement, the Tribunal confirmed in a letter dated 13 March 2020 that the opponent’s registration was indeed an earlier mark. Although in that letter the filing date was referred to as 13 January 2019, not the correct date of 30 January 2019, the opponent’s registration nonetheless precedes the filing date of the contested mark (13 August 2019). The applicant did not contest this view. Furthermore, the existence of domain names or registrations in other jurisdictions has no bearing on this issue. I, therefore, make this decision on the basis that the registration is an earlier mark.

State of the Register

11. In its counterstatement the applicant argues that ‘TÜV’ is a “*non-exclusive, generic word ... used by many companies*”, which is evidenced by over 56 trade marks on the Register containing ‘TÜV’, many of which are owned by unrelated entities³. The applicant then lists 4 as examples, 1 of which I note is the earlier mark the opponent has relied on in this opposition. The applicant also submits the opponent’s registration lacks distinctive character as it is a “*literal translation in the German Language*” of “*Technischer Überwachungsverein*” (‘Technical Inspection Association’, in English)⁴.

³ See paragraph [3.2] of the applicant’s Counterstatement

⁴ *ibid*

12. I refer to the General Court's judgment in *Zero Industry Srl v Office for Harmonisation in the Internal Market* (Trade Marks and Designs) ('OHIM'), Case T-400/06 where it stated that:

"73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word 'zero', it should be pointed out that the Opposition Division found, in that regard, that '... there are no indications as to how many of such trade marks are effectively used in the market'. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 GfK v OHIM – BUS(Online Bus) [2005] ECR II-4865, paragraph 68, and Case T-29/04 Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II-5309, paragraph 71)."

13. With regard to the distinctive character of a registered trade mark, I refer to *Formula One Licensing BV v OHIM*, Case C-196/11P where the Court of Justice of the European Union ('CJEU') found that:

"41.it is not possible to find, with regard to a sign identical to a trade mark protected in a Member State, an absolute ground for refusal, such as the lack of distinctive character, provided by Article 7(1)(b) of Regulation No 40/94 and Article 3(1)(b) of Directives 89/104 and 2008/95. In this respect, it should be noted that the characterisation of a sign as descriptive or generic is equivalent to denying its distinctive character.

42. It is true that, as is clear from paragraph 48 of the judgment under appeal, where an opposition, based on the existence of an earlier national trade mark, is filed against the registration of a Community trade mark, OHIM and, consequently, the General Court, must verify the way in which the relevant public perceives the sign which is identical to the national trade mark in the

mark applied for and evaluate, if necessary, the degree of distinctiveness of that sign.

43. However, as the appellant rightly points out, their verification has limits.

44. Their verification may not culminate in a finding of the lack of distinctive character of a sign identical to a registered and protected national trade mark, since such a finding would not be compatible with the coexistence of Community trade marks and national trade marks or with Article 8(1)(b) of Regulation No 40/94, read in conjunction with Article 8(2)(a)(ii)."

14. It follows that the existence of other 'TÜV' marks on the Register does not affect the distinctiveness of the opponent's earlier mark nor have any bearing on whether there exists a likelihood of confusion between that mark and the contested mark. Each case must be considered on its own merits. For reasons which I make clear in my decision below, I do not consider the average consumer would necessarily know that 'TÜV' has an English or German meaning. In any event, given the guidance in the *Formula One* case, it is not open to me to find that the earlier mark has no distinctive character.

DECISION

Section 5(2)(b)

15. 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".

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, 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 services

17. The opponent contends that the contested mark covers identical and/or highly similar services to the opponent and provides a few examples. They state that the contested services are complementary and “*impinge directly upon*” or are “*closely aligned with*” the opponent’s class 35 and class 42 services, and that there is also some competition⁵.

⁵ See paragraphs [6.7] to [6.17] of the opponent’s Written Submissions

18. The applicant denies there is any similarity between the contested services and the opponent's services but does not give any reasoning or evidence as to why. The applicant noted that "... *trade marks are not regarded as being similar to each other simply on the ground that they appear in the same class...*"⁶. In response to that point, the opponent contends that the applicant is wrong in law for claiming "... *that the services cannot be considered as similar as they are not in the same Class...*"⁷. I note section 60A of the Act, which states:

"60A (1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

..."

Put simply, this means that whether the services are in the same or in different classes, is not decisive in determining whether they are similar or dissimilar. What matters is the actual services at issue and whether they are similar or not having regard to the case law that I refer to below.

19. In the judgment of the CJEU in *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer*, Case C-39/97, the court stated at paragraph [23] of its judgment that:

"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

⁶ See paragraph [4.1] of the applicant's Counterstatement

⁷ See paragraph [6.4] of the opponent's Written Submissions

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

20. The relevant factors for assessing similarity were identified by Jacob J. (as he then was) in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] RPC 281. At paragraph [296], he identified the following:

“(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.”

21. In construing the words used in the parties’ specifications, I refer to Lord Justice Arnold in *Sky v Skykick* [2020] EWHC 990 (Ch), where he considered the validity of trade marks registered for, amongst many other things, the general term ‘computer software’. He set out the following summary of the correct approach to interpreting broad and/or vague terms:

“...the applicable principles of interpretation are as follows:

(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded.”

22. In *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16, Jacob J. (as he then was) stated:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

23. Regarding the complementarity of goods (and, by extension, services), in *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. Also, in *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court stated that ‘complementary’ means:

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

24. Additionally, in *Sanco SA v OHIM*, Case T-249/11, the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*.

The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“... it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

25. With the above factors in mind, the services for comparison are as follows:

<p>Opponent’s services</p>	<p>Class 35: <i>Commercial trade and consumer information; Commercial assessment; Procurement services, for others; Assistance in business matters; Business administration; Office functions; Business management and administrative services; Professional business analysis, research and information, in particular conformity assessments, evaluation of companies, professional business evaluations and analyses; Gathering, compilation, systemisation and maintenance, including via the internet, of test data and other data, in particular certification and company data, including messages, information, texts, graphic prints and Images, in particular in the field of certification and business consultancy and organisation, and technical and scientific consultancy, for goods and/or services, business operations, fabrics, materials, products, documentation and/or information documents, manufacturing and processing operations, manufacturing and</i></p>
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processing methods and business organisation, in computer databases; Business consulting services; Evaluation of business opportunities with regard to professional business matters, professional business consultancy in relation to establishing and Operation of companies; Business consultancy services relating to the supply of quality management systems.

Class 42: *IT services, namely development, programming and implementation of software, development of computer hardware, hosting, software as a service (SaaS) and rental of software, rental of computer hardware and installations, IT consultancy and information, IT security, protection and repair, data duplication and Conversion, data encoding, computer analysis and diagnostics, research and development, and implementation of computers and Computer systems, computer project management, data mining, digital watermarking, computer services, technological services in relation to computers, computer network services, updating the memory banks of computer systems, data migration, updating of websites, for others, monitoring of computer systems by remote access; Scientific and technological services and design relating thereto, in particular conducting of technical examinations, conducting of technical tests, engineering, for others, surveying by means of Engineers; preparation of engineering reports, surveying, technical engineering, technical planning and consultancy; Industrial analysis and research services; Testing, authentication and quality control, in particular conformity assessments, conformity tests, consultancy in relation to quality control, consultancy in relation to quality assurance, consultancy relating to product tests, consultancy in relation to Quality control, consultancy in relation to material testing, conducting of scientific investigations, conducting of scientific tests,*

	<i>product testing, product safety testing, product safety tests, process monitoring for quality assurance, quality control, quality testing, safety testing and consultancy relating to consumer products, safety checks on Products, technical testing, technical tests, technical monitoring and inspection, technological safety testing, certification (quality control); Medical and pharmacological research services; Engineering services; Surveying and exploration; Natural science services; Design services; Consultancy and information in relation to the aforesaid services, included in this class.</i>
Applicant's services	Class 45: <i>Regulatory compliance auditing; Legal compliance auditing; Inspection Services including inspection of factories for safety purposes.</i>

26. I will make the comparison with reference to the applied for services, grouping them together when it is relevant to do so⁸.

Regulatory compliance auditing; Legal compliance auditing;

27. A compliance audit, as the opponent submits, includes a service which evaluates an organisation's adherence to "*external laws, rules, and regulations or internal guidelines, such as corporate bylaws, controls, and policies and procedures*"⁹. Regulatory compliance and legal compliance audits are, thus, services used by organisations to evaluate their adherence to such relevant regulations and laws. They enable those responsible for overseeing business operations (for instance, company directors) to view the resultant audit reports and, thereby, discharge their fiduciary duties.

28. In its ordinary and natural meaning, I consider the opponent's "*Professional business analysis, research and information, in particular conformity assessments, evaluation of companies, professional business evaluations and analyses*" to be aimed at businesses and organisations where the service provider researches

⁸See the Appointed Person in *Separode Trade Mark* BL O-399-10 (AP)

⁹ See paragraph [6.2] of the opponent's Written Submissions

and/or analyses a range of business information typically in order to advise on how to help its work or management. However, the term includes “*conformity assessment*”, which, as I understand it, could include the provider checking a business’ or organisations conformity to some form of business standard pertinent to the user’s processes and/or products.

29. Notwithstanding that the opponent’s services may be more business orientated rather than having what might be more of a legal focus, I consider there may be some overlap of trade channels and purpose in that they are assisting a business or organisation to check various forms of compliance/conformity, and the same supplier could offer a range of such services. I consider both services are likely to share a professional business user. The respective services supplement each other and the same business could offer both services. It follows that I consider the services could complement each other in such a way that the public may believe the services come from the same or an economically-linked undertaking.

30. For the reasons given, I therefore find a low-medium level of similarity between the applicant’s “*Regulatory compliance auditing*” and “*Legal compliance auditing*” and the opponent’s coverage of “*Professional business analysis, research and information, in particular conformity assessments, evaluation of companies, professional business evaluations and analyses*”.

31. I also consider the opponent’s coverage of “*Testing, authentication and quality control, in particular conformity assessments, conformity tests, consultancy in relation to quality control, consultancy in relation to quality assurance, consultancy relating to product tests, consultancy in relation to Quality control ...*” to be aimed at business users. I understand the service provider will analyse the user’s processes and/or products by way of a quality control process and conformity assessments/tests etc to various requirements and specifications. I consider the services will be used to maintain a desired quality in a product or output and to check its validity and compliance to relevant regulations etc. Following a similar rationale explored in paragraph 29 above, I consider the user, trade channels and purpose for using both parties’ services may be shared. This is particularly since I consider testing, authentication and quality control services may involve legal or

regulatory compliance. It follows that I also find a low-medium degree of similarity with the applicant's "*Regulatory compliance auditing*" and "*Legal compliance auditing*" with the opponent's "*Testing, authentication and quality control, in particular conformity assessments, conformity tests, consultancy in relation to quality control, consultancy in relation to quality assurance, consultancy relating to product tests, consultancy in relation to Quality control, consultancy in relation to material testing, conducting of scientific investigations, conducting of scientific tests, product testing, product safety testing, product safety tests, process monitoring for quality assurance, quality control, quality testing, safety testing and consultancy relating to consumer products, safety checks on Products, technical testing, technical tests, technical monitoring and inspection, technological safety testing, certification (quality control)*".

32. I have considered whether any of the opponent's other services improve their position. In my view they do not and, in fact, any similarity would be of the same or a lesser degree.

Inspection Services including inspection of factories for safety purposes

33. Although the aforementioned is not limited to just the inspection of factories for safety purposes, such a service would ensure various safety requirements are complied with and will involve the identification of any health and safety issues. I consider these services to be used by professional business users who want to check their organisation's compliance, especially in relation to safety in factories and, therefore, provide security for individuals in that facility.

34. I find that these applied for services have a particular similarity with the opponent's "*Testing, authentication and quality control, in particular conformity assessments, conformity tests, ... consultancy in relation to material testing, conducting of scientific investigations, conducting of scientific tests, ... safety testing and consultancy relating to ... safety checks on Products, technical testing, technical tests, technical monitoring and inspection, technological safety testing, certification (quality control)*" insofar as there is explicit reference to safety testing and conformity assessments and tests. There may be a shared purpose between the

parties' services where they both ensure certain facilities, processes and/or products conform with necessary safety standards and are safely manufactured, for instance, with, again, the average consumer seeing a degree of complementarity with the inspection services (whether of factories or other things) and being part of a suite of services that could be offered to a business or organisation. I agree with the opponent's submission that some of the opponent's mentioned services (for instance "*technical testing*" and "*certification (quality control)*") may "*encompass inspection as part of their enactment*"¹⁰.

35. For the reasons given, I therefore find a low-medium level of similarity between the applicant's "*Inspection Services including inspection of factories for safety purposes*" and the opponent's coverage of "*Testing, authentication and quality control, in particular conformity assessments, conformity tests, consultancy in relation to quality control, consultancy in relation to quality assurance, consultancy relating to product tests, consultancy in relation to Quality control, consultancy in relation to material testing, conducting of scientific investigations, conducting of scientific tests, product testing, product safety testing, product safety tests, process monitoring for quality assurance, quality control, quality testing, safety testing and consultancy relating to consumer products, safety checks on Products, technical testing, technical tests, technical monitoring and inspection, technological safety testing, certification (quality control)*".

36. I have considered whether any of the opponent's other services improve their position. In my view they do not and, in fact, any similarity would be of the same or a lesser degree.

Average consumer and the purchasing act

37. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' services. I must then decide the manner in which these services are likely to be selected by the average consumer in the course of trade.

¹⁰ See paragraph [6.14] of the opponent's Written Submissions

38. 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 question¹¹. 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.”

39. The applicant contends that the consumers of their applied for services and the opponent's registered services will pay a high level of attention¹². The opponent agrees that the average consumer will pay a high degree of attention and additionally submits the average consumer will be a business owner or employee who makes visual and aural considerations. The opponent further submits that the average UK consumer does not understand German¹³.

40. In my experience, I consider the average consumer for the competing services (across classes 35, 42 and 45) will most likely be a business user (and other comparable organisations) requiring an insight/evaluation into their business, particularly obtaining or checking its certifications and compliance to various requirements (such as those regulatory and legal). They do not strike me as an everyday selection, nor will they be inexpensive. The average consumer is likely to consider the type of service offered, the reputation of the service provider and

¹¹ See *Lloyd Schuhfabrik Meyer & Co. GmbH*

¹² See paragraph [5] of the applicant's Counterstatement

¹³ See paragraphs [3.15 -3.18] of the opponent's Written Submissions

suitability of those services (including any experience the service provider has) to the user's desired purpose. I agree with both parties that the level of attention paid by the average consumer selecting and purchasing the services will be higher than the norm. This is also due to the importance of the services, in that a business could face severe penalties (for instance, reputations at stake, the breaking of laws and directors facing disqualification) if the services relied on prove to lack credibility and accuracy etc. The services will likely be selected from websites and brochures etc so the visual element will be of most importance. However, word-of-mouth recommendations will mean that the aural element also has a role in the selection process. No evidence has been provided regarding the UK average consumer's knowledge of German. In my experience, I consider it possible the average consumer may know some limited words (especially since English is a Germanic language in origin), though I do not consider it is a language widely understood. However, for reasons that will become apparent, this point has no real significance.

Comparison of marks


41. 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.”

42. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the

marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

43. The respective trade marks are shown below:

Earlier trade mark	Contested trade mark
TÜV	

44. The opponent submits that the contested mark incorporates the earlier mark in its entirety, and that the common element is the dominant element in the contested mark, within which its remaining visual elements are non-distinctive. The opponent’s main argument is that the marks are similar visually to a high degree and aurally identical or to a “*very similar*” degree¹⁴. However, the opponent’s conceptual argument differed slightly - they initially contended the marks shared the German abbreviation for ‘Technical Inspection Association’, yet later submitted the two marks were conceptually neutral¹⁵.

45. The applicant, however, disagrees with the opponent’s above submissions and submits the elements other than ‘TÜV’ in the contested mark are the dominant (and distinctive) elements¹⁶. Further, that whilst the marks were conceptually similar with regard to “*descriptive elements which have no capacity to denote origin...*” they were nonetheless dissimilar conceptually and “*exceptionally dissimilar*” visually. However, that there is a “*very small degree of aural similarity*”, in which the ‘TÜV’ element is “*arguably negligible*” in the earlier mark¹⁷.

Overall impression

¹⁴ See [Q5] of the opponent’s Form TM7 and paragraphs [3.19 - 3.29] of the opponent’s Written Submissions

¹⁵ Contrast [Q5] of the opponent’s Form TM8 with paragraphs [3.30-3.31] of the opponent’s Written Submissions

¹⁶ See paragraph [3.2] of the applicant’s Counterstatement

¹⁷ See paragraphs [3.3-3.7] of the applicant’s Counterstatement

The applicant's contested mark

46. The application consists of an incomplete black circular device with the letters 'TÜV' in a lightly stylised and italicised uppercase font in the centre. The 'TU' is in black font whilst the umlaut and 'V' are in a red colouring. Beneath 'TÜV' and in a much smaller and lightly stylised font is the word 'SOUTHWEST', uppercase in a blueish purple. In the upper left of the black circle device is a very proportionately smaller and lightly stylised font displaying the uppercase black element 'WWW.TUVSW.COM'. The large TÜV element is by far the most memorable, dominant and distinctive element in the overall impression of the contested mark, with the other elements playing a much more secondary (and, regarding 'SOUTHWEST', an arguably descriptive) role.

The opponent's mark

47. The opponent's mark is a word mark that solely consists of the word/letters 'TÜV' in normal black font. I consider the overall impression lies in the word itself.

Visual comparison

48. Visually, I cannot agree with the applicant that the two marks are exceptionally dissimilar. The whole of the earlier mark (TÜV) is illustrated as a large central and dominant element in the contested mark. The circular device in the contested mark emphasises the enlarged and central placement of TÜV. The domain name element (WWW.TUVSW.COM) also fully encapsulates the earlier mark (except the umlaut), albeit besides the additional non-distinctive 'WWW.' and '.COM' and the 'SW' element which appears to signify 'SOUTHWEST'. Whilst there are additional elements in the contested mark, they are proportionately much smaller and clearly secondary in nature.

49. Overall and bearing the above in mind, I consider the marks are visually similar to a medium degree.

Aural comparison

50. Aurally, I expect the average consumer of the earlier mark to articulate the word in three-syllables, as ‘tee-you-ve’ or, potentially, and less likely, in one-syllable as ‘tuhv’. Given the overall impression of the applied for mark is dominated by the TÜV element, it is most probable that this element will be the only part which is articulated - in which case the marks will be aurally identical (or at least highly similar). I find it unlikely ‘SOUTHWEST’ will be articulated and even more unlikely the domain name will be. Nevertheless, if SOUTHWEST is articulated, any similarity is of a medium level. If, in the unlikely event, the domain name is also articulated, there is still a medium degree of similarity because TÜV is also present in that element and will be articulated in the same way.

51. Proceeding on the basis of what I consider to be the most realistic scenario, I consider the trade marks to be aurally identical. In the event that the ‘SOUTHWEST’ and the ‘WWW.TUVSW.COM’ web address in the contested trade mark are articulated, there is a medium degree of similarity.

Conceptual comparison

52. Initially in its Form TM7, the opponent noted that “*Conceptually, ‘TÜV’ is the abbreviation in German of the Opponent’s business name, which in English means “Technical Inspection Association”. The opponent’s mark is recognised worldwide as the industry standard for regulatory testing and quality control*” [sic]. The applicant agreed on the English meaning and stated the word is “*recognized worldwide for as the industry standard for regulatory testing and quality control ...*” [sic]¹⁸, yet stated “*the only conceptual similarity between the marks relates to descriptive elements which have no capacity to denote origin ... [so] the conceptual similarity of the marks is nil*”¹⁹. In response, the opponent requests the applicant’s argument be disregarded and submitted that the German words for which the abbreviation apparently stands is not a word-for-word translation. The opponent’s

¹⁸ See paragraph [3.2] of the applicant’s Counterstatement

¹⁹ See paragraph [3.6] of the applicant’s Counterstatement

final submissions also differed slightly to its Form TM7 in contending the two marks were conceptually neutral²⁰.

53. In the absence of evidence from either party to show what the average consumer would make of 'TÜV', I find that they would not ascribe a conceptual meaning to the word 'TÜV'. At best, the average consumer will recognise the umlaut, and, as such, may view it as a Germanic acronym or word, but there is nothing to show that they would give it any particular meaning beyond the letters of which that word is comprised. I consider this to be the case even if the average consumer understands German. In terms of the dominant element of the marks, there is neither similarity or dissimilarity. The applied for mark does have other elements not present in the earlier mark (SOUTHWEST and the domain name) which create a degree of conceptual difference. That said, this will not be overly significant given the overall impression of the marks.

Distinctive character of the earlier trade mark

54. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, the greater the likelihood of confusion (see *Sabel*). In *Lloyd Schuhfabrik Meyer & Co. GmbH* 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).

²⁰ Contrast [Q5] of the opponent's Form TM7 with paragraphs [3.30-3.31] of their Written Submissions
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*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).”*

55. Registered trade marks can possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words. The distinctiveness of a mark can be enhanced by virtue of the use made of it. I have already given my view that the average consumer will not know the meaning of TÜV, whether as an acronym or otherwise, and that it will be seen as an unknown or invented word, albeit possibly of Germanic origin. Especially recalling that the distinctive character of a trade mark must be assessed from the perspective of the relevant public in the territory in which registration is sought²¹, I consider the mark to have a high level of inherent distinctive character.

Conclusions on Likelihood of Confusion

56. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. I point particularly to the principles I referred above in paragraph 16. One of these is the interdependency principle i.e. a lesser degree of similarity

²¹See *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04 and *Matratzen Concord AG v OHIM*, Case T-6/01

between the respective trade marks may be offset by a greater degree of similarity between the respective goods, and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier trade mark, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to 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 that they have retained in their mind.

57. There are two types of possible confusion: direct (where 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/goods down to the responsible undertakings being the same or related). The distinction between these was explained 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, Mr Iain Purvis Q.C.:

“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).”

58. Earlier in this decision I concluded that:

- The applicant’s services range from a low to medium level of similarity to the opponent’s coverage in the earlier mark;
- The average consumers of the services at issue are likely to be business users paying a high level of attention during the purchasing act, in which the selection process is likely to be mostly visual and occasionally aural in nature;
- The overall impression of earlier mark lies in the word/letters ‘TÜV’ itself and the same element will be more dominant in the overall impression of the contested mark, within which its additional elements play a much more secondary role;
- The competing trade marks are visually similar to a medium degree and aurally likely identical (or similar to a potentially medium degree);
- I consider the ‘TÜV’ element has no conceptual meaning to the average consumer and, therefore, there is no conceptual similarity between the two marks;

- I consider the mark is inherently distinctive to a high degree for the average consumer.

Notwithstanding the principle of imperfect recollection, and taking all of the above factors into account, I consider the differences between the marks will be sufficient to enable the average consumer with a likely high degree of attention to differentiate between the parties' marks. They will at least recall that one is just the word itself, and the other had a form or stylisation and additional words, even if TÜV was the dominant element. It follows that I do not consider there is a likelihood of direct confusion.

59. In considering whether there is a likelihood of indirect confusion, I bear in mind that the three categories of indirect confusion identified by Mr Purvis QC above are just illustrative – he stated that indirect confusion ‘tends’ to fall in one of them. I also note that a finding of indirect confusion should not be made merely because the two marks share a common element²². Nevertheless, the competing services and the marks’ visual and aural similarity ranges from medium to identical and that there is no conceptual meaning attributed to the marks, or at least to the dominant component. Given that the common TÜV element, which I have found to have a high degree of distinctiveness, is most dominant in the contested mark and that mark’s additional elements are largely descriptive (or at least secondary in nature), I consider that this would lead, when all the relevant factors are considered, to the average consumer, even of high attentiveness, to assume that the services are offered by the same or an economically linked undertaking to the earlier mark. For the avoidance of doubt, I consider this is the case even should the services only be deemed to have a low similarity. It follows that I consider the marks could be perceived as a brand extension/variation of each other.

²² See Mr James Mellor Q.C., as the Appointed Person in *Duebros Limited v Heirler Cenovis GmbH* BL O/547/17

CONCLUSION

60. The opposition under section 5(2)(b) of the Act has succeeded in full. Subject to any successful appeal against my decision, the application will be refused in the UK for the full range of goods and services applied for.

COSTS

61. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by Annex A of Tribunal Practice Notice (“TPN”) 2 of 2016. Using that TPN as a guide, I award the opponent the sum of £700 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official fee	£100
Preparing a statement and considering the other side’s statement:	£300
Preparing final written submissions in lieu of a hearing:	£300

62. I therefore order TUV SW STANDARDIZATION CERTIFICATIONS to pay TÜV Markenverbund e.V the sum of £700. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 31st day of December 2020

Bethany Wheeler-Fowler
For the Registrar