

O/502/21

TRADE MARKS ACT 1994

**IN THE MATTER OF
TRADE MARK APPLICATION NO. 3431824
IN THE NAME OF IntelePeer LLC
FOR THE TRADE MARK:**

ATMOSPHERE SMARTFLOWS

IN CLASSES 9, 38 AND 42

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. OP000418712
BY Williams (Earth) Ltd**

Background and pleadings

1. On 26 September 2019, IntelPeer LLC (“the applicant”) applied to register the trade mark

ATMOSPHERE SMARTFLOWS

for the following goods and services:

Class 09: *Communications and computer applications software for facilitating telecommunication services; communications and computer applications software for the visual designer featuring an intuitive drag-and-drop solution to enable parties to create, design and manage multi-channel telecommunication workflows which integrate business processes with business communications in the nature of voip, instant and email messaging, social media postings; communications and computer applications software for creating and managing multi-channel communication workflows; communications and computer applications software for delivering a multi-channel experience across voice and messaging channels and third-party business applications; communications and computer applications software for facilitating marketing campaigns, technical support, self-service management and finance.*

Class 38: *Telecommunication services, namely, assisting third parties in managing their communications campaigns; intelligent network services featuring providing telecommunication capabilities to facilitate the ability to manage communications in the nature of providing telephone features, namely, call waiting, call identification, call forwarding, and message waiting; delivering a multi-channel experience for third party business applications, namely, providing capabilities for businesses with features including voice over internet protocol services, text messaging services, and email transmission services; providing software to manage*

communication campaigns of third parties including telecommunication connections to a global computer network for use in facilitating consumer interactions in the nature of marketing campaigns distribution, accessing technical support, self-service transaction management and conducting financial transactions.

Class 42: *Intuitive drag-and-drop solution in the nature of online, non-downloadable software that enables parties to create, design and manage multi-channel telecommunication workflows which integrate business processes with business communications in the nature of voip, instant and email messaging, social media postings; telecommunication system design services, namely, creating multi-channel communication workflows; application service provider featuring software programs for use in management of third party communications campaigns; application service provider featuring software programs for the visual designer featuring an intuitive drag-and-drop solution to enable parties to create, design and manage multi-channel telecommunication workflows integrated with business processes with business communications in the nature of voip, instant and email messaging, social media postings; application service provider featuring software programs for creating and managing multi-channel communication workflows; application service provider featuring software programs for delivering a multi-channel experience across voice and messaging channels and third-party business applications; application service provider featuring software programs for technical support, self service management and finance, and creating marketing campaigns.*

2. The application, which has a Priority date of 14 June 2019 from US Trademark 88/474068, was published for opposition purposes on 18 October 2019.

3. The application is opposed by Williams (Earth) Ltd (“the opponent”). The opposition was filed on 11 December 2019 and is based upon Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opposition is directed against all of the goods in Class 9 and some of the services in Class 42 only in the application. These are listed in the table

in paragraph 31 of this decision. The opponent relies upon its UK trade mark registration number 3273827, shown below, which has a filing date of 29 November 2017 and for which the registration procedure was completed on 09 March 2018¹:



4. The opposition relies upon all of the goods and services for which the earlier mark is registered, namely:

Class 09: *Computer software.*

Class 42: *Design and development of computer software.*

5. The opponent submits that the competing marks are similar and that the goods and services under Classes 9 and 42 are also very similar in nature, which would lead to confusion if the applicant's mark were granted.

6. The applicant filed a counterstatement denying the claims. It submits that the opponent has not clearly stated the scope of goods and services it intends to rely upon for the purpose of these opposition proceedings, which I will address under Preliminary Issues in paragraphs 9 - 10 of this decision. It further submits that should the Registry find that the opponent intended to rely on all the goods and services covered by the earlier mark, even where those goods and services are found to be identical or similar, that the competing marks are so different that there does not exist a likelihood of confusion between them. Accordingly, the applicant asserts that the opposition under section 5(2)(b) fails and requests that an award of costs be made in its favour.

7. Only the opponent filed written submissions which will not be summarised, but will be referred to as and where appropriate during this decision. Both parties elected to

¹ Opposition was filed by the owners of the earlier mark, Maximise IT Solutions Limited. Full ownership of UK3273827 was subsequently assigned to Williams (Earth) Ltd., effective from 19/02/2021.

file evidence. Neither party requested a hearing, therefore this decision is taken following a careful perusal of the papers.

8. In these proceedings, the applicant is represented by DLA Piper UK LLP and the opponent is represented by Samantha Sanders, Maximise IT Solutions Ltd.

Preliminary Issues

9. The Registry wrote to the opponent on 16 April 2020 confirming that, in question 1 of form TM7, the opponent had not listed the goods and services upon which it relied. Rather, it had, in error, listed the Class 42 services covered by the opposed application. The opponent provided an amended form TM7 dated 27 April 2020, however, the response to the question relating to the goods and services upon which it relied was not amended. The Registry wrote again to the opponent on 11 May 2020, acknowledging that as it had chosen not to amend form TM7, the form had been sent to the applicant inviting it to file a TM8 and counterstatement.

10. In its letter to the representatives of the opponent, dated 5 November 2019, requesting the withdrawal of the application of the later mark, and which is attached to the TM7, the opponent has referred to two classes of the applicant's mark as being the same as the two classes of its earlier trade mark. Each of the classes in the opponent's specification contains only one term. I therefore accept that the opponent is relying on all goods and services for which the earlier mark is registered and I will proceed with my decision on this basis.²

Evidence

The opponent's evidence

11. The opponent filed a witness statement in the name of Tony Williams, the CEO of Maximise IT Solutions Ltd, being the owner of the trade mark UK3273827 at the time of the original filing of this opposition and prior to the transfer of ownership of the trade

² See guidance provided by Tribunal Practice Notice ("TPN") 4/2000, paragraph 5.

mark to Williams (Earth) Ltd. It is dated 23 February 2021.³ The purpose of Mr Williams' witness statement was to respond to the final submissions of the applicant, and to adduce eight exhibits (labelled **Exhibit E1** to **Exhibit E7** and **Exhibit E11**) accordingly.

12. **Exhibit E1** is a printout showing a page from the Maximise IT website with a link to a blogpost introducing a 5 step process to automation using "SmartFlow" (undated).

13. **Exhibit E2** is a printout showing a page from the Maximise IT website declaring its achievement as winner of the "Queen's Award for Enterprise:Innovation 2019", dated 26 June 2020.

14. **Exhibit E3** is a printout showing posts from the networking platform "LinkedIn", dated 29 January 2021.

15. **Exhibit E4** is a printout showing a Twitter post from Maximise IT on 16 August 2019 showcasing "SmartFlow".

16. **Exhibit E5** is a printout showing a stand built for a National Exhibition event from Maximise IT showcasing "SmartFlow" (undated).

17. **Exhibit E6** is a printout of a page on "YouTube" showing a link to a marketing video, "What is SmartFlow?". The date shown under the link to the clip is 10 April 2018.

18. **Exhibit E7** is a printout showing a Twitter post from the Maximise IT on 9 September 2019, alongside printouts of two invoices for marketing materials purchased by Maximise IT, dated 29/06/2017 and 1/10/18 respectively. A further printout of a page on "YouTube" showing a link to a marketing video for "SmartFlow", which is undated, is included in this exhibit.

³ Mr Williams originally filed a witness statement dated 5 October 2020. The Registry wrote to Mr Williams to advise that the evidence was unacceptable in its current format. Mr Williams was invited to resubmit the evidence in the appropriate format as outlined in the letter, resulting in the witness statement dated 23/02/2021. This has affected the numbering of the exhibits.

19. **Exhibit E11** is a printout showing a Twitter post from Maximise IT on 8 July 2019 of a third party account of “what it’s like to work with Maximise IT”.

The applicant’s evidence

20. The applicant filed a witness statement in the name of Désirée Vasantha Fields, a Solicitor and Legal Director at DLA Piper UK LLP, being the legal representatives of the applicant. It is dated 23 December 2020. Ms Fields was authorised by the applicant to make this witness statement on its behalf. Ms Fields adduces two exhibits in support of the defence, labelled **Exhibit DVF1** and **Exhibit DVF2** accordingly.

21. **EXHIBIT DVF1** are printouts listing a selection of third party UK and/or EU trade mark registrations which incorporate the element “SMARTFLOW” or “SMARTFLOWS” in relation to computer software, design and development of computer software and related goods and services. The final International Application shown in the list, which designated the EU for protection, was refused on the basis of descriptiveness and lack of distinctiveness.

22. **EXHIBIT DVF2** are printouts demonstrating third party trade mark use of the element “SMARTFLOW” or “SMARTFLOWS” in relation to computer software, design and development of computer software and related goods and services. The exhibit, collated from an internet search carried out on 21 December 2020, shows links to various websites, including nine examples of web pages indicating use by such third parties.

DECISION

23. 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”.

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

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

(a) a registered trade mark, international trade mark (UK), European Union 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,

...”

25. The trade mark upon which the opponent relies qualifies as an earlier trade mark under the above provisions. As the trade mark had not been registered for more than five years at the date the application was filed, it is not subject to the proof of use provisions contained in section 6A of the Act. The opponent is, therefore, entitled to rely upon it in relation to all of the goods and services indicated without having to prove that genuine use has been made of them.

26. Although the UK has left the European Union, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. Therefore, this decision contains references to the trade mark case-law of the European courts.

Section 5(2)(b) –

27. I am guided by the following principles which 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 Office for Harmonisation in the Internal Market (Trade Marks and Designs) (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 to mind the earlier mark, 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

28. When making the comparison, all relevant factors relating to the goods and services in the specification should be taken into account. In *Canon*, Case C-39/97, the Court of Justice of the European Union (“CJEU”) stated 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 purpose and their method of use and whether they are in competition with each other or are complementary”.⁴

⁴ Paragraph 23

29. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- “(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.”

30. 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. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (“GC”) 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”.⁵

31. The goods and services to be compared are:

⁵ Paragraph 82

Opponent's goods and services	Applicant's goods and services
<p><u>Class 9</u> Computer software.</p>	<p><u>Class 9</u> Communications and computer applications software for facilitating telecommunication services; communications and computer applications software for the visual designer featuring an intuitive drag-and-drop solution to enable parties to create, design and manage multi-channel telecommunication workflows which integrate business processes with business communications in the nature of voip, instant and email messaging, social media postings; communications and computer applications software for creating and managing multi-channel communication workflows; communications and computer applications software for delivering a multi-channel experience across voice and messaging channels and third-party business applications; communications and computer applications software for facilitating marketing campaigns, technical support, self-service management and finance.</p>
<p><u>Class 42</u> Design and development of computer software.</p>	<p><u>Class 42</u> Intuitive drag-and-drop solution in the nature of online, non-downloadable software that enables parties to create, design and manage multi-channel telecommunication workflows which integrate business processes with</p>

	<p><i>business communications in the nature of voip, instant and email messaging, social media postings; telecommunication system design services, namely, creating multi-channel communication workflows; application service provider featuring software programs for the visual designer featuring an intuitive drag-and-drop solution to enable parties to create, design and manage multi-channel telecommunication workflows integrated with business processes with business communications in the nature of voip, instant and email messaging, social media postings; application service provider featuring software programs for creating and managing multi-channel communication workflows; application service provider featuring software programs for delivering a multi-channel experience across voice and messaging channels and third-party business applications; application service provider featuring software programs for technical support, self service management and finance, and creating marketing campaigns.</i></p>
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32. The applicant submits that the opponent has not clearly stated the scope of the goods and services it relies upon for the purposes of the opposition proceedings. As I have already addressed this issue in paragraphs 9 and 10 of this decision, I will continue to make my comparison based upon the goods and services listed for each of the respective marks as shown in the above table. The applicant makes no specific submissions on the similarity or dissimilarity of the goods and services at issue.

33. For the purposes of considering the issue of similarity of goods and services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* (BL O/399/10) and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs 30 to 38).

34. In *Gérard Meric v OHIM*, Case T-133/05, the GC stated that:

“In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.⁶

35. In *Sky v Skykick* [2020] EWHC 990 (Ch), Arnold LJ considered the validity of trade marks registered for, amongst many other things, the general term ‘computer software’. In the course of his judgment 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.

⁶ Paragraph 29

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

Class 9

36. “*Communications and computer applications software for facilitating telecommunication services; communications and computer applications software for the visual designer featuring an intuitive drag-and-drop solution to enable parties to create, design and manage multi-channel telecommunication workflows which integrate business processes with business communications in the nature of voip, instant and email messaging, social media postings; communications and computer applications software for creating and managing multi-channel communication workflows; communications and computer applications software for delivering a multi-channel experience across voice and messaging channels and third-party business applications; communications and computer applications software for facilitating marketing campaigns, technical support, self-service management and finance*”. Each of the goods listed in the applicant’s Class 9 specification begins with “*communications and computer applications software for...*”, which is then qualified accordingly. In this case, all of the applicant’s goods are clearly encompassed within the broad term “*Computer software*” in Class 9 of the opponent’s mark and are therefore identical as per the principles outlined in *Meric*.

Class 42

37. “*Intuitive drag-and-drop solution in the nature of online, non-downloadable software that enables parties to create, design and manage multi-channel telecommunication workflows which integrate business processes with business communications in the nature of voip, instant and email messaging, social media postings*”. These services are similar in purpose to the broader category “*computer software*” as goods in Class 9 of the earlier mark, with the same users and uses, although the physical nature of the services are different to the goods. They may also be in competition, as a consumer may decide to either commission online, non-downloadable software, or they may decide to purchase equivalent software as goods. It would not be unreasonable to expect that both goods and services would

be provided by the same or economically linked undertakings. Overall, I find that these services are highly similar to “*computer software*”.

38. “*Telecommunication system design services, namely, creating multi-channel communication workflows*”. The opponent’s “*Design and development of computer software*” is a broad term which may encompass the design of software as part of the telecommunication system design services included in the applicant’s mark. However, I bear in mind that in the case of services, the terms used should not be interpreted widely. Both marks offer design services, and as such are similar in nature, and there may be an overlap in the method of use and users. Nonetheless, as per *Skykick*, I do not consider that “*Telecommunication system design services, namely, creating multi-channel communication workflows*” falls within the core meaning of “*Design and development of computer software*”. Therefore, I find there to be a low degree of similarity between the respective services.

39. “*Application service provider featuring software programs for the visual designer featuring an intuitive drag-and-drop solution to enable parties to create, design and manage multi-channel telecommunication workflows integrated with business processes with business communications in the nature of voip, instant and email messaging, social media postings; application service provider featuring software programs for creating and managing multi-channel communication workflows; application service provider featuring software programs for delivering a multi-channel experience across voice and messaging channels and third-party business applications; application service provider featuring software programs for technical support, self service management and finance, and creating marketing campaigns*”. All of the aforementioned are application services which feature software programmes (“programs”) for various purposes, as qualified respectively within the specification. The earlier mark covers the broad term “*Design and development of computer software*”, which may include the design and development of such software programmes as featured by the application service provider services of the contested mark, resulting in an overlap in users, as well as in distribution channels. However, the services *per se* are different in nature, as are their respective uses. Neither do I consider them to be in competition. Consequently, I find there to be a low degree of similarity between the services.

The average consumer and the nature of the purchasing act

40. 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. (as he was then) described the average consumer in these terms:

“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 word “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median”.⁷

41. 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.

42. The goods and services of the applicant are specifically in relation to telecommunications/business processes. As such, I consider them to be directed towards business users or professionals as the average consumer.

43. In my view, given the broad sweep of the opponent's goods, the average consumer would include both the general public as well as professional users, whilst the consumer of the opponent's services is more likely to be a professional who may require bespoke products tailored to their specific business needs.

44. For both the goods and the services included in the competing marks, considerations such as technical reviews of the services/software, price, quality, ease of use, suitability of the product and the reputation of the provider would be taken into account before purchasing the goods or accessing the services. They are likely to be

⁷ Paragraph 60

purchased infrequently, although I recognise that consumers may seek to upgrade the software and services from time to time.

45. The competing goods are sold through a range of channels including retail premises or online, and the purchasing process will be primarily visual, although I do not ignore aural considerations through word of mouth recommendations or as a result of requests made to sales assistants. In both marks, the initial choice will be relatively important to the average consumer, with the act of selecting the goods unlikely to be made casually or as a matter of routine. In my view, the general public will pay a higher than average degree of attention to the selection process, with the business customer paying a high degree of attention.

46. For the services provided under each of the respective marks, the purchasing act would be a combination of visual and aural: some consumers would seek information from the internet, whereas others would receive verbal advice from sales representatives, including telesales. The cost of the services will vary according to the exact nature, specification and the level of service selected, however, the initial outlay could be substantial. In my view, the relevant public will pay a high degree of attention during the selection process.

Comparison of marks


47. 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 in *Bimbo SA v OHIM* Case C-591/12P, 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.”⁸

48. 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.

49. The respective trade marks are shown below:

Opponent's trade mark	Applicant's trade mark
 The logo for SMARTFLOW features a stylized molecule icon on the left, consisting of a central blue circle with six radiating lines, each ending in a small sphere (three green, three blue). To the right of the icon, the word "SMARTFLOW" is written in a bold, sans-serif font. "SMART" is in blue and "FLOW" is in green.	ATMOSPHERE SMARTFLOWS

50. The applicant submits that considering that the only common element of the competing marks, being SMARTFLOWS/SMARTFLOW, is descriptive and lacks distinctive character, with the applicant's mark being dominated by the word element ATMOSPHERE, and the opponent's mark being dominated by the molecule logo and stylistic elements, that the overall impression created by the respective marks is that they are visually different.

Overall impression

51. The opponent's mark consists of a device element at the beginning of the mark, being an incomplete circle with an arrowhead indicating movement in a clockwise direction. From the inner circle emanate 6 rods of various lengths and thicknesses, each of which have either a green or blue sphere of varying sizes at its end. The device is likely to be perceived as a simple ball and stick illustration of a molecule.

⁸ Paragraph 34

Following the device are the words “SMART” and “FLOW”, presented in capital letters in a relatively standard font. Although they are conjoined, the words are distinguished by the use of the colours blue and green respectively. Furthermore, the letter “S” in “Smart” and the letter “F” in “Flow” are slightly larger than the remaining letters. To my mind, due to the stylisation, the mark would be seen as 2 separate words, although this does not detract from the perception of the words ‘hanging together’ as a unit with neither word dominating. While each of the elements are situated in a single line, and the device is roughly the same size as the letters “S” and “F” of the wording, I consider that it is the words which make the greatest contribution to the overall impression of the mark, with the device element making a lesser contribution overall.

52. The applicant’s mark consists of two words, “ATMOSPHERE SMARTFLOWS”, presented in capitals in a standard black font without any other elements to contribute to the overall impression. The overall impression conveyed by the mark therefore lies in the combination of these words. To some consumers, each of the words will play an independent distinctive role within the mark, with neither word dominating. To other consumers, the word SMARTFLOWS will be allusive of the software and services as being intelligent and continuous, and to those consumers, the word “ATMOSPHERE” will make the greatest contribution to the overall impression.

Visual comparison

53. The word “SMARTFLOW” in the opponent’s mark is wholly incorporated in the second word of the applicant’s mark “SMARTFLOWS”. However, the applicant’s mark is preceded by the word “ATMOSPHERE”, which is not present in the earlier mark, just as the device element in the earlier mark is absent from the later mark. Further, the two colour combination of the word “SMARTFLOW” in the earlier mark makes for a greater visual impact and further isolates any visual similarities between the contested marks. Considering the marks as a whole, I find there to be a low degree of visual similarity between them.

Aural comparison

54. The common element in the competing marks is the word “SMARTFLOW”, which is the only element which would be voiced in the opponent’s mark, and which is pluralised and follows the word “ATMOSHERE” in the applicant’s mark, the whole of which would be articulated as “ATMOSPHERE SMARTFLOWS”. Consequently, I consider there to be a medium degree of aural similarity between the marks.

Conceptual comparison

55. The word “SMARTFLOW”/“SMARTFLOWS” is not dictionary defined as a single word, however, the natural break between the letter “T” in SMART and the letter “F” in FLOW/S would lead the consumer to read it as two separate words “SMART” and “FLOW/S” in both marks, which lends itself to the concept of something which moves steadily and continuously, i.e. something which flows, which is also intelligent (smart). Whilst not directly descriptive, I consider this suggestive of a desirable attribute of the software and the services being provided, both in relation to the applicant’s telecommunications workflows and business applications, and also alluding to a characteristic of the opponent’s wider computer software and design and development thereof. The word “ATMOSPHERE” in the later mark may be understood on its own as a noun relating to the layer of air/gas around the planet, or as the general mood within a given environment. When combined with the word “SMARTFLOWS”, although it is grammatically incorrect, it may be perceived as an adjective (as in “atmospheric”) which is describing Smartflows. The device element in the earlier mark could be perceived as alluding to a connection with molecules, although to some consumers the device will have no conceptual identity. Given that the marks share, at least in part, a similar concept by way of the word “SMARTFLOW/S”, I consider that overall, the marks are conceptually similar to a medium degree.

Distinctive character of the earlier mark

56. The distinctive character of a trade mark can be appraised only, first, by reference to the goods and services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

57. 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).”

58. The opponent states that the mark has been extensively used since November 2017. However, the evidence it has filed gives no indication of how widespread this use has been. In particular, there are no sales figures or information on how much has been invested in promoting the mark. While I note that the opponent won “The Queen’s Award for Enterprise: Innovation 2019” due to its “SMARTFLOW” products, the evidence submitted is not sufficient to find that the mark’s distinctiveness has been enhanced through use.

59. The applicant submits the opponent’s mark would not have been registrable as a pure word mark given that the word element SMARTFLOW is descriptive and lacks distinctive character in relation to the goods and services protected by the mark. This,

it submits, is further evidenced by the large number of third party trade marks in the UK and/or EU consisting of, or incorporating, the element “SMARTFLOW” or “SMARTFLOWS” in relation to computer software, design and development of computer software, and related goods and services in classes 9 and 42, as supported by Exhibit DVF1.

60. With regard to the state of the register, this has no bearing on my assessment. In *Zero Industry Srl v OHIM*, Case T-400/06, the GC 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).”

61. As mentioned previously in this decision, although the conjoined word “SMARTFLOW” is not dictionary defined, I do not consider that the average consumer would see it as an invented word, but as two words “SMART” and “FLOW”, which are further divided by the use of different colours. I cannot agree with the applicant that the word alone is directly descriptive of the goods and services, nonetheless, to some consumers, I consider that it may be allusive of those goods and services as being intelligent and continuous. However, the earlier mark is presented in a stylised form, containing two different colour elements, as well as the device element at the start of the mark, neither of which can be overlooked. Regardless of whether the device element is perceived as being a representation of a molecule, I find no direct

correlation between the image and the goods and services. Considering the mark as a whole, I find it to possess a medium degree of inherent distinctive character.

Likelihood of confusion

62. There is no simple formula for determining whether there is a likelihood of confusion. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind.

63. It is clear then that I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa (*Canon* at [17]). In making my assessment, I must consider the various factors from the perspective of the average consumer, bearing in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

64. 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 and services 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 Back Beat Inc*, Case BL-O/375/10. He said:

“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).”

65. The above are examples only which are intended to be illustrative of the general approach. These examples are not exhaustive but provide helpful focus.

66. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J. considered the impact of the CJEU’s judgment in *Bimbo*, Case C-591/12P, on the court’s earlier judgment in *Medion v Thomson*. The judge said:

“18. The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark

contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19. The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20. The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21. The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

67. Earlier in this decision, I found that:

- All the contested goods are identical to the opponent’s goods;

- There is at least a low degree of similarity between the competing services, with a high degree of similarity between the opponents goods and the applicant's "...*online, non-downloadable software...*";
- The goods are selected by predominantly visual means, with the level of attention of the general public as the average consumer being higher than average, while the business consumer is likely to pay a high degree of attention during the selection process;
- For the services provided under each of the respective marks, the selection process would be a combination of visual and aural, where the relevant public will pay a high degree of attention during the purchasing act;
- The competing trade marks are visually similar to a low degree and are aurally similar to a medium degree, with a medium level of conceptual similarity;
- The earlier mark is inherently distinctive to a medium degree;

68. Taking all of the above factors into account, even allowing for imperfect recollection, I consider the differences between the marks to be sufficient to avoid them being mistakenly recalled as each other. In my view, the colour combination and the presence of the device in the opponent's mark will not be overlooked or forgotten by the average consumer. Likewise, the word "ATMOSPHERE" in the contested mark will not be disregarded. Therefore, I do not consider there to be any likelihood of direct confusion.

69. I now turn to consider whether there might be a likelihood of indirect confusion. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C. [as he then was], as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

70. Keeping in mind the global assessment of the competing factors in my decision, and in particular the high level of attention paid by the average consumer during the purchasing act, and the low degree of visual similarity between the marks, it is my view that it is unlikely that the average consumer would assume that there is an economic connection between the parties. I consider this to be the case even though the word “SMARTFLOW” of the earlier mark is wholly incorporated in the later mark, which may bring to mind the other mark. Therefore, I find that there is no likelihood of indirect confusion.

71. The opposition under section 5(2)(b) fails.

Conclusion

72. The opposition has failed. Subject to any successful appeal, the application by IntelePeer LLC may proceed to registration.

Costs

73. The applicant has been successful, and is therefore entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice (“TPN”) 2/2016. Applying the guidance in that TPN, I award the applicant the sum of £1300, which is calculated as follows:

Considering the notice of opposition and preparing a counterstatement:	£300
Preparing evidence:	£600
Preparing written submissions in lieu of a hearing:	£400
Total:	£1300

74. I therefore order Williams (Earth) Ltd to pay IntelePeer LLC the sum of £1300. 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 1st day of July 2021

**Suzanne Hitchings
For the Registrar,
the Comptroller-General**