

O/0084/23

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3654032
BY MUSCO CORPORATION
TO REGISTER THE FOLLOWING TRADE MARK:**

TLC FOR LED

IN CLASSES 11 & 42

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 600002051
BY TCL TECHNOLOGY GROUP CORPORATION**

Background and pleadings

1. On 10 June 2021, Musco Corporation (“the applicant”) applied to register the trade mark **TLC FOR LED** in the UK, under number 3654032 (“the contested mark”). Details of the application were published for opposition purposes on 1 October 2021. Registration is sought for the following goods and services:¹

Class 11: LED luminaires for indoor and outdoor lighting applications; lighting apparatus, namely, lighting installations; lighting fixtures; LED lighting systems, namely, LED modules, power supplies, and wiring; all the aforementioned in relation to industrial, sports facility and entertainment venue lighting systems.

Class 42: Design of large area and sports facility lighting systems for others; consulting services in the field of the design of lighting systems to minimize the effects of glare on spectators and neighbors; lighting design and technology specification services pertaining to permanent or temporary architectural, theatrical, entertainment, commercial and/or residential applications.

2. On 29 November 2021, TCL Technology Group Corporation (“the opponent”) opposed the application in full under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”).² The opponent relies upon the following trade marks:

TCL Micro LED

International Registration designating the UK no. 1590395

Registration date: 3 March 2021

Date of UK designation: 3 March 2021

Protection granted date: 9 December 2021

Priority date: 12 October 2020 (China)

¹ I note that the application was originally made in relation to a wider range of goods and services in these classes. However, by way of a Form TM21B dated 18 July 2022, the applicant restricted the scope of the application. By email, on 25 July 2022, the opponent indicated that it wished to continue with the proceedings, notwithstanding the specification amendments.

² I also note that the opposition was originally brought by way of the fast track procedure by the filing of a Form TM7F. However, after granting the applicant’s request for leave to file evidence in these proceedings, the Registry’s official letter dated 22 March 2022 confirmed that the case had been converted to a standard opposition.

("the first earlier mark")

TCL

Comparable UK registration³ no. 801512532

Filing date: 5 December 2019

Registration date: 23 June 2020

Priority date: 4 July 2019 (China)

("the second earlier mark")

TCL

Comparable UK registration no. 801540855

Filing date: 19 March 2020

Registration date: 3 December 2020

Priority date: 11 October 2019 (China)

("the third earlier mark")

3. The first earlier mark is protected in relation to goods in class 9. For the purposes of the opposition, the opponent relies upon some of those goods, namely, '*fluorescent screens; light-emitting diodes [LED]; optical fibers [light conducting filaments]*'.

4. The second earlier mark is registered for goods in classes 7, 9 and 11. In these proceedings, the opponent relies upon some of those goods, namely, '*cables, electric; wires, electric; light-emitting diodes [LED]; switches, electric; electric plugs*' in class 9 and '*lamps*' in class 11.

5. The third earlier mark is registered in respect of services in classes 35, 37 and 42. For the purposes of the opposition, only some of those services are relied upon, namely, '*installation and maintenance of illuminating apparatus; electric appliance*

³ On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all right holders with an existing EUTM. As a result of the opponent's International Registrations designating the EU numbers 1512532 and 1540855 being protected as at the end of the Implementation Period, comparable UK trade marks were automatically created. The comparable UK marks are now recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and retain their original filing dates.

installation and repair in class 37 and *technological research; industrial design* in class 42.

6. Given the respective filing dates, the opponent's marks are earlier marks in accordance with section 6 of the Act. As they had not completed their respective protection/registration processes more than five years before the filing date of the contested mark, they are not subject to the proof of use provisions specified in section 6A of the Act. Consequently, the opponent is entitled to rely upon all the goods and services identified, without having to demonstrate genuine use.

7. In its notice of opposition, the opponent contends that the contested mark is similar to each of its earlier marks. Further, it argues that the parties' goods and services are identical or similar. On this basis, it submits that there is a likelihood of confusion, including the likelihood of association.

8. The applicant filed a counterstatement denying the ground of opposition. In addition to disputing the opponent's claims, the applicant submits that the parties have co-existed in the UK for at least three years without any consumer confusion.

9. Both parties filed evidence in these proceedings. A hearing was requested and held before me, by video conference, on 5 December 2022. The opponent was represented by Mark Sorenti of Trademarkit LLP. The applicant was represented by Georgina Messenger of Counsel, instructed by Forresters IP LLP. Both filed skeleton arguments in advance of the hearing.

10. Although the UK has left the EU, 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 upon in these proceedings are derived from an EU Directive and, therefore, this decision continues to refer to the trade mark case law of the EU courts.

Evidence

11. The opponent's evidence is given in the witness statement of Fu Chaohui, dated 21 July 2022, and two accompanying exhibits (FC1 and FC2). Fu Chaohui is the General Manager of the opponent's Legal Department, a position they have held since 2018. They give evidence as to the background of the opponent and use of the earlier marks.

12. The applicant's evidence consists of the witness statement of James Hansen, dated 14 March 2022, together with twelve exhibits, and the witness statement of Chris Limpach, dated 23 May 2022, together with two exhibits.⁴ Mr Hansen is the Secretary and Chief Ethics and Compliance Officer for the applicant. Mr Limpach is the General Manager of Musco Europe (a subsidiary of the applicant), a position he has held since 2015. The evidence of both witnesses goes to the applicant's use of the contested mark.

13. I have read all of the evidence and will return to it to the extent I consider necessary in the course of this decision.

Decision

The law

14. Sections 5(2)(b) and 5A of the Act read as follows:

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

[...]

⁴ As both of the applicant's witnesses use the same labelling regime for their exhibits, I shall hereafter refer to those of James Hansen as JH1 to JH12 and those of Chris Limpach as CL1 and CL2.

(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.”

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

15. 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:

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

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

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

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

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

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

Comparison of goods and services

16. In *Canon*, Case C-39/97, the Court of Justice of the European Union (“CJEU”) stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, [...] 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”.

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

- (a) The respective 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.

18. 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 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”.

19. In *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J (as he then was) stated that:

“[...] Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

20. In *Sky v Skykick* [2020] EWHC 990 (Ch), at paragraph 56, Arnold LJ set out the following summary of the correct approach to interpreting broad and/or vague terms:

“(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.”

21. The goods and services to be compared are outlined at paragraphs 1, 3, 4 and 5 above.

Class 11

22. At the hearing, Mr Sorenti argued that ‘*light-emitting diodes [LED]*’ in class 9 of the first and second earlier marks encompasses all of the applicant’s class 11 goods. Light-emitting diodes are semiconductors which emit light when they receive an electrical current. I do not agree that they would encompass finished lighting products, even those containing LEDs as components. Ms Messenger highlighted that specifications have to be given their natural and ordinary meanings; this is also clear from the case law cited above. In this connection, the natural and ordinary meaning of the opponent’s term is the components themselves; it does not include every product that they are a component of. Moreover, although they may be used as a part or component of the lighting products in class 11 of the application, that does not necessarily result in them being similar. The mere fact that a particular good is used as a part or component of another does not suffice in itself to show that the finished goods containing those components are similar since, in particular, their nature, intended purpose and the customers for those goods may be completely different.⁵ In this case, the nature of the respective goods differs, in that one is an electronic component, whereas the others are lighting products. The method of use also differs; the opponent’s goods will be assembled with, or added to, other components, while the applicant’s goods are finished products and systems that will be turned on/off subject to lighting requirements. There is an overlap in intended purpose to the extent that the respective goods are used to provide light. The respective goods are unlikely to reach the market through overlapping trade channels. The applicant’s goods are likely to be available through specialist providers/suppliers, whereas the opponent’s

⁵ *Les Éditions Albert René v OHIM*, Case T-336/03, paragraph 61

goods are sold by retailers of electronic parts and components. I do not consider there to be any meaningful competition between the respective goods. Firstly, although, hypothetically, a consumer could purchase lighting products or, instead, assemble their own using components such as light-emitting diodes, the scale and specialist nature of the applicant's goods makes this extremely unlikely. Secondly, as the latter would require additional components to achieve the same outcome, the respective goods cannot be said to be in direct competition. Neither are the respective goods complementary as, although light-emitting diodes are important to the applicant's class 11 goods (in that they are a component thereof), consumers are unlikely to believe that the responsibility for them lies with the same undertaking. This is particularly the case, given that it is not typical in trade. Taking all of the above into account, I find that there is a very low degree of similarity between the respective goods.

23. Mr Sorenti contended at the hearing that '*lamps*' in class 11 of the second earlier mark encompass all of the goods in class 11 of the application. The natural and ordinary meaning of a lamp is a device for giving light, especially one that has a covering or is contained within something. To my mind, lamps ordinarily refer to lighting devices used in domestic contexts (for example, on a desk or to give supplementary lighting, as Ms Messenger put it, to a particular area of a room), i.e. they are general consumer goods. The applicant's goods comprise specialist lighting products which will be designed for lighting industrial units, sports facilities and entertainment venues; they are likely to consist of tube lights, spotlights and permanent fixtures, for instance. No evidence has been adduced to suggest that lamps would incorporate such goods and I do not consider it to be a well-known fact of the kind which would enable me to take judicial notice of it. In the absence of such evidence, I do not agree that these goods are identical. As for similarity, it is my view that the nature, method of use and intended purpose of the respective goods overlaps to the extent that they are all lighting products which will be switched on/off to provide light. However, the goods are likely to reach the market through different trade channels: the opponent's goods are commonly found in retail environments, whereas the applied-for goods are likely to be purchased through specialist providers. In this connection, users are likely to be different (the opponent's the general public and the applicant's businesses such as sports teams, manufacturers and entertainment venues). Although lamps could, in theory, be used instead of some of the applicant's

goods to provide light, I consider this highly unlikely; consumers looking to purchase lighting for a concert hall or a playing field, for example, would not reasonably select lamps to fulfil their lighting needs instead. As such, there is no material competition between the respective goods. I am also not satisfied that they are complementary in the sense outlined in case law. To my mind, although devices which provide light are integral to the applicant's lighting systems, this would not typically include lamps. In light of the above, I find that the respective goods are similar to a low degree.

24. Clearly, the applicant's goods and the opponent's *'installation and maintenance of illuminating apparatus'* in class 37 of the third earlier mark differ in nature, method of use and intended purpose. There is no competition between them. However, the opponent's services are not limited in any way; therefore, they could incorporate the installation and maintenance of apparatus in industrial, sports facility and entertainment venue lighting systems. In this connection, there may be an overlap in trade channels insofar as undertakings who provide the applicant's specialist lighting products may also install and maintain them. To my mind, there is also a degree of complementarity between the respective goods and services. This is because lighting apparatus is important to the installation and maintenance of that lighting apparatus (and vice versa) and, due to the specialist nature of the lighting, consumers may believe that responsibility for the goods and services lies with the same undertaking. Overall, I find that the respective goods and services are similar to a low degree.

Class 42

25. The applicant's services in this class broadly comprise design and specification services relating to lighting used in particular contexts, as well as consultancy services in the field of glare minimising lighting systems. The nature, method of use and intended purpose of such services differs from that of the goods in classes 9 and 11 of the first and second earlier marks. In my view, the respective goods and services are likely to reach the market through different trade channels: the applicant's services will be provided by specialist designers or consultants in the field, whereas the opponent's goods are available in retail environments, such as electronics or home improvement stores. The goods and services are not in competition. Moreover, they are not complementary in the sense outlined in case law as, although lamps and light-

emitting diodes might potentially be used in the eventual implementation of the applicant's design services, the goods and services are not directly important or indispensable to one another; the relationship between them is not sufficiently proximate. In any event, consumers are unlikely to believe that the responsibility for the goods and services lies with the same undertaking. Taking all of the above into account, I find that there is no similarity between the respective goods and services.

26. In his skeleton argument, Mr Sorenti submitted that *'installation and maintenance of illuminating apparatus'* in class 37 of the third earlier mark encompasses all of the applicant's class 42 services. However, this line of argument was effectively withdrawn at the hearing. Mr Sorenti instead argued that these services are similar. In the alternative, he submitted that the term *'industrial design'* in class 42 of the third earlier mark encompasses the applied-for services. It is my understanding that industrial design is the process of designing products that are usually to be manufactured by mass production. The applicant's services are specialist lighting design services and associated consultancy services; nothing in the applicant's specification indicates that the lighting products (which are the subject of the services) are mass-produced consumer products. Particularly in the absence of any evidence on the point, I am not persuaded that industrial design services cover the applicant's services. As such, I do not agree that these services are identical. Nevertheless, although the opponent's *'installation and maintenance of illuminating apparatus'* and the applicant's class 42 services differ in nature, intended purpose and method of use, they may be provided by the same undertakings and reach the market through overlapping trade channels, i.e. undertakings that offer design services for sports facility lighting systems, for instance, may also provide the installation and maintenance of the lighting apparatus which comprises that system. Users are also likely to be the same. The respective services are not in competition. Neither are they complementary in the sense outlined in case law since they are not important or indispensable to one another; although they are somewhat connected, the relationship between them is not sufficiently proximate to result in complementarity. Overall, I find that there is a low degree of similarity between the respective services.

27. I have also considered the position in respect of the other goods and services relied upon by the opponent. However, to my mind, none puts it in a more favourable position.

The average consumer and the nature of the purchasing act

28. 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 then was) 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.”

29. 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.⁶

30. Consistent with my approach to the comparison of the parties' goods and services, my assessment will focus on the average consumer of the goods and services for which I have found similarity.

31. The goods and services at issue are likely to be purchased by businesses, including operators of sports or concert venues, electricians and manufacturing companies. However, I agree with Mr Sorenti that some of the goods and services, such as, for example, *'lamps'* and *'installation and maintenance of illuminating apparatus'*, are also available to the general public.

⁶ *Lloyd Schuhfabrik Meyer, Case C-342/97*

32. In respect of business users, the frequency at which the goods are purchased, and their associated cost, is likely to vary considerably. Goods such as *'light-emitting diodes [LED]'* are inexpensive and are likely to be purchased relatively frequently for ongoing use in the course of trade. Business users will consider factors such as cost, features and compatibility when selecting these goods. However, the purchasing act will not follow an overly considered thought process. For such goods, it is my view that business users will demonstrate a low to medium level of attention during the purchasing process. Business users will purchase the goods from suppliers, trade specialists, electronics retailers, or their online equivalents. To my mind, the goods are likely to be purchased visually, after being viewed on shelves, in brochures or on webpages. However, I do not discount aural considerations entirely as it is possible that business users may engage verbally with sales representatives or receive word-of-mouth recommendations.

33. Conversely, goods such as *'[...] lighting installations [...] in relation to industrial, sports facility and entertainment venue lighting systems'*, for example, are likely to be less frequent purchases which attract a significant outlay. The purchasing act for these goods is likely to follow a measured thought process as they may represent a significant investment for the business. The selection of the goods would be important for business users as they will wish to ensure that they are selecting goods which accurately reflect their specification requirements and are aligned with the needs of the business. Business users will also be alive to the potentially negative implications of selecting unsuitable or unreliable products. Taking these factors into account, I find that business users will demonstrate a high level of attention when purchasing such goods. Goods of this nature are likely to be purchased directly from specialist providers, after viewing information on the internet or in brochures. However, the purchasing process is also likely to incorporate verbal consultations. As such, it is my view that both visual and aural considerations play their part.

34. The services are likely to be purchased by business users somewhat infrequently. The associated cost is likely to vary; however, overall, they will attract an average outlay. The selection of the services will be relatively important for business users; they will wish to ensure that the services are provided to a professional standard and suitable for their needs. They will also consider factors such as the provider's expertise

and previous outcomes. Overall, I find that the level attention of business users for the services would be between medium and high. Services of this nature are likely to be purchased directly from the provider, after viewing information on the internet or in brochures. The purchasing of the services is also likely to incorporate verbal consultations. Taking this into account, it is considered that the purchasing process will be a combination of visual and aural.

35. As for the general public, the goods and services are likely to be relatively infrequent purchases. Cost is likely to vary, though, overall, the goods and services are relatively inexpensive. The purchasing act will not require an overly considered thought process, though neither will it be merely casual. The general public will consider factors such as cost, features, aesthetic and compatibility with other items when selecting the goods. In respect of the services, the general public will consider factors such as cost, the provider's expertise and reliability. In light of the above, I find that the general public will demonstrate a medium level of attention during the purchasing process. The goods are available in retail outlets such as supermarkets, home improvement stores and department stores, wherein they will be self-selected by the general public after viewing the products in displays or on shelves. The goods are also available via the online equivalents of these outlets and will be purchased after viewing information on webpages. In both circumstances, I am of the view that the purchasing process will be predominantly visual in nature. Nevertheless, I do not discount aural considerations entirely in the form of word-of-mouth recommendations and discussions with sales assistants. The services are likely to be purchased directly from the provider, after viewing information on the internet or in brochures. As such, it is my view that the purchasing process will be predominantly visual in nature. However, I do not discount aural considerations entirely as it is possible that the general public will wish to discuss their needs with the service provider.

Distinctive character of the earlier marks

36. 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 *WindsurfingChiemsee 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 *WindsurfingChiemsee*, paragraph 51).”

37. Registered trade marks possess varying degrees of inherent distinctive character. These range from the very low, such as those which are suggestive or allusive of the goods or services, to those with high inherent distinctive character, such as invented words. Dictionary words which do not allude to the goods or services will be somewhere in the middle. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; the more distinctive the earlier mark, the greater the likelihood of confusion. The distinctive character of a mark may be enhanced as a result of it having been used in the market.

38. The first earlier mark is in word-only format and comprises the letters 'TCL', the word 'Micro' and the letters 'LED'. The string 'TCL' is neither descriptive nor allusive of the goods relied upon. It does not appear to be a dictionary word or a well-known abbreviation. However, it is simply a combination of three letters from the English alphabet and, given the ubiquitous nature of letters and combinations thereof in use as indicators of origin, it is not particularly distinctive. Ms Messenger submitted that the string may be understood as an abbreviation for Telephone Communications Limited. Indeed, I note that Fu Chaohui gives evidence that the letters in the mark were taken from the opponent's original company name, being Telephone Communications Limited.⁷ However, consumers are unlikely to be aware of the opponent's intentions upon immediate perception of the mark. This does not strike me as compelling evidence that relevant consumers of the goods and services at issue would understand the letters in this manner. In my view, consumers are more likely to perceive the string as a combination of three letters with no meaning. The word 'Micro' will be immediately understood by consumers as meaning something that is very small. The letters 'LED' are an abbreviation for light-emitting diode and, due to its common usage, I am of the view that this would be immediately understood by consumers. Due to the composition of the mark, as well as the fact that it is an adjective which usually precedes a subject, the word 'Micro' qualifies the abbreviation 'LED'; together, these elements will be understood by consumers as referring to very small light-emitting diodes and perceived as a description of a characteristic of the goods sold under the mark. For these reasons, the distinctive character of the mark predominantly rests in the string 'TCL'. Overall, I find that the first earlier mark possesses between a low and medium level of inherent distinctive character.

39. The second and third earlier marks both comprise the letters 'TCL' in word-only format. My comments above regarding this string are equally applicable here. I find that the second and third earlier marks also possess between a low and medium level of inherent distinctive character.

⁷ Witness statement of Fu Chaohui, §4

40. Evidence has been filed by the opponent and I am now required to assess whether it has demonstrated that, at the relevant date of 10 June 2021, the earlier marks had an enhanced level of distinctive character.

41. Fu Chaohui says that the opponent is a Chinese electronics company; it was founded in 1981 and changed its name to 'TCL' in 1985.⁸ They give evidence that the opponent develops, manufactures and sells consumer electronic products including televisions, DVD players, mobile phones, air conditioners, washing machines, refrigerators and other small electrical appliances.⁹ According to Fu Chaohui, the opponent was the twenty-fifth largest consumer electronics producer in the world in 2010 and the second largest manufacturer of televisions by market share in 2019.¹⁰

42. Fu Chaohui states that the brand name 'TCL' was first used in the UK in 2018 and has since been used continuously.¹¹ They provide printouts from the opponents website at www.tcl.com/uk and the opponent's page on amazon.co.uk.¹² They show 'TCL' branded televisions and indicate that the opponent also produces soundbars, refrigerators and air purifiers. They are dated 21 July 2022, i.e. after the relevant date. Printouts from the opponent's website at www.tcl.eu, obtained using the Wayback Machine, have also been provided.¹³ No date is visible; however, the printouts contain news releases dated 8 January 2019 and the witness says they show the position as of 23 February 2019.¹⁴ The printouts contain a buyer's guide for televisions. 'TCL' is visible throughout in standard font. Similarly, further printouts from amazon.co.uk, obtained using the Wayback Machine, are in evidence.¹⁵ They are not dated, though the witness says they are from 19 October 2018.¹⁶ The marketing materials on the page say that the opponent was a global top three television manufacturer in 2017 and "America's fastest growing TV brand now available in the UK".

⁸ Chaohui, §4

⁹ Chaohui, §4

¹⁰ Chaohui, §4

¹¹ Chaohui, §5

¹² Exhibit FC1 (pp.5-14)

¹³ Exhibit FC1 (pp.15-18)

¹⁴ Chaohui, §5

¹⁵ Exhibit FC1 (pp.19-20)

¹⁶ Chaohui, §5

43. According to Fu Chaohui, the opponent sells 'TCL' goods throughout the UK via physical retailers and online stores such as Currys, Robert Dyas, Hughes, Amazon and Appliances Direct.¹⁷ Printouts have been exhibited from the UK websites of Robert Dyas, Hughes and Currys.¹⁸ These show 'TCL' branded televisions for sale, some labelled as having LED screens. The printouts were obtained on 21 July 2022, i.e. after the relevant date.

44. Fu Chaohui gives the following UK turnover figures, which they say were generated in connection with goods bearing the 'TCL' mark:¹⁹

Year	Turnover (\$)
2018	1,611,548
2019	4,868,001
2020	21,934,691
2021 ²⁰	23,682,527
Total	52,096,767

45. No details have been provided by the opponent to indicate the size of the relevant markets. Neither is there any evidence before me to that effect. I note that Fu Chaohui says that the opponent was the second largest manufacturer of televisions by market share in 2019. However, they have not provided any evidence to support this claim and it has not been put into context. For example, Fu Chaohui is silent on the territory (or territories) in which this was the case. In the context of the witness statement, the claim appears to relate to the global position. Assessing whether the distinctiveness of a mark has been enhanced requires an evaluation of how strongly the mark indicates to consumers in the UK that the goods or services originate from a particular undertaking. The unsupported, global market share information does little to assist the opponent in this regard. I note that no information regarding the amounts invested in promoting the earlier marks has been provided. There is also a distinct lack of

¹⁷ Chaohui, §6

¹⁸ Exhibit FC2

¹⁹ Chaohui, §7

²⁰ I note that the relevant date falls partway through 2021. Therefore, in the absence of any explanation or evidence to the contrary, I infer that a significant proportion of the figure for this calendar year resulted from business conducted after the relevant date.

evidence pertaining to any such activities having been conducted prior to the relevant date. Much of the evidence of use is dated 21 July 2022 and, therefore, cannot be relied upon as showing the position at the relevant date. The remaining evidence is limited but does at least appear to suggest that products bearing the 'TCL' mark were available to purchase in the UK prior to the relevant date; I also acknowledge the turnover figures, which are not insignificant. Nevertheless, the documentary evidence does not show any use of the earlier marks in connection with the goods and services relied upon; it indicates that the opponent manufactures and sells televisions. Fu Chaohui does not refer to any of the goods and services relied upon by the opponent in these proceedings. Neither do they attribute any of the turnover figures to them; given the general focus of the evidence, it seems reasonable to infer that the turnover was largely generated in connection with televisions, rather than any of the goods and services relied upon. Taking all of the above into account, the evidence before me does not support a finding that the distinctiveness of the earlier marks has been enhanced above their inherent characteristics in relation to the goods and services relied upon. I should add that, even if I considered the evidence sufficient to conclude that the distinctiveness of the earlier marks had been enhanced in respect of, say, 'fluorescent screens' (which, for the avoidance of doubt, I do not), this would not have any material impact on the outcome of the opponent's claim because there is no obvious similarity between these goods and the applied-for goods and services.

Comparison of trade marks

46. 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.”

47. Therefore, it would be wrong to dissect the trade marks artificially, though it is necessary to take into account the distinctive and dominant components of the marks; due weight must be given to any other features which are not negligible and hence contribute to the overall impressions created by the marks.

48. The competing trade marks are as follows:

The earlier marks	The contested mark
TCL Micro LED TCL	TLC FOR LED

Overall impressions

49. At the hearing, Mr Sorenti argued that, essentially, the comparison I must undertake comes down to a comparison of the letters ‘TCL’ and ‘TLC’. Conversely, Ms Messenger contended that the overall impressions of the marks are dominated by all the verbal elements of which they are comprised, namely, ‘TCL Micro LED’, ‘TCL’ and ‘TLC FOR LED’.

50. The first earlier mark is in word-only format and consists of the letters ‘TCL’, the word ‘Micro’ and the letters ‘LED’. Given that it appears at the beginning of the mark, a position which is generally considered to have more impact,²¹ it is my view that the string ‘TCL’ dominates the overall impression of the mark. This dominance is aided by the string having no discernible meaning. The word and string ‘Micro LED’ are not negligible and, therefore, cannot be entirely excluded from the comparison. However,

²¹ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

whilst still contributing, they play a much lesser role in combination due to their descriptive nature in relation to the goods relied upon.

51. The second and third earlier marks are in word-only format and consist of the letters 'TCL'. As this string is the only element of the marks, it dominates their overall impressions.

52. The contested mark is in word-only format and comprises the letters 'TLC', the word 'FOR' and the letters 'LED'. The elements in the mark combine to form a solitary unit. As such, the overall impression lies in the mark as a whole. For the sake of completeness, I should add that the word 'FOR' and letters 'LED' are not negligible and thus cannot be excluded from the comparison.

Visual comparison

The first earlier mark and the contested mark

53. Visually, the competing marks are similar in that they both comprise a three-letter string, a word and another three-letter string. The first three-letter strings are comprised of the same letters and the second are identical. The competing marks visually differ insofar as the letters which comprise the first strings are in a different order and the words 'Micro' and 'FOR' are entirely different. Bearing in mind my assessment of the overall impressions, I find that there is between a low and medium degree of visual similarity between the competing marks.

The second and third earlier marks and the contested mark

54. These marks are visually similar as the earlier marks are comprised of the same three letters that appear at the beginning of the contested mark. The competing marks are visually different in that the letters are in a different order and the contested mark contains two additional elements, i.e. 'FOR LED', that are not replicated in the earlier marks. Overall, I find that there is a low degree of visual similarity between the competing marks.

Aural comparison

The first earlier mark and the contested mark

55. In my view, all of the three-letter strings in the competing marks will be articulated as initialisms, whilst the words 'Micro' and 'FOR' will be given their ordinary English pronunciations. The competing marks are aurally similar in that they share six syllables, i.e. "TEE", "SEE", "EL", "EL", "EE" and "DEE". The competing marks aurally differ in that the syllables "SEE" and "EL" in the respective first elements are in a different order, and the words 'Micro' and 'FOR' sound completely different. The first earlier mark also has an additional syllable, consisting of eight, rather than seven, syllables. Taking all of this into account, as well as my assessment of the overall impressions, I consider that there is between a low and medium degree of aural similarity between the competing marks.

The second and third earlier marks and the contested mark

56. My findings above regarding the aural identity of the contested mark are equally applicable here. The second and third earlier marks will be articulated as initialisms and, therefore, comprise three syllables. The competing marks are aurally similar insofar as these three syllables are present at the beginning of the contested mark. The marks aurally diverge in that two of those syllables are in a different order in the contested mark, which also contains four syllables that are not reproduced in the earlier marks. Overall, I find that there is a low degree of aural similarity between the competing marks.

Conceptual comparison

The first earlier mark and the contested mark

57. As outlined above, the string 'TCL' in the first earlier mark does not provide any discernible meaning to consumers; this element is, therefore, conceptually neutral. 'Micro LED' will be understood as a descriptive reference to a characteristic of the goods and provides a concept of very small light-emitting diodes. Ms Messenger

argued that the string 'TLC' in the contested mark may be perceived by consumers as an abbreviation of Total Light Control. For a concept to be relevant, it must be capable of immediate grasp by the relevant consumer.²² The applicant's evidence, which will be discussed in further detail below, suggests that it uses the string 'TLC' as an abbreviation for its own 'Total Light Control' products. On the balance of the evidence, I do not discount that the applicant's own customers might be aware of this meaning. However, it does not establish that relevant consumers of the goods and services at issue in these proceedings would be aware of it. As noted above, the comparison must be approached from the perspective of the average consumer in the UK (a legal construct), rather than the applicant's actual customers. The string 'TLC' is dictionary defined as an informal abbreviation for 'tender loving care'.²³ Given that it is well-known amongst the UK public, I am of the view that consumers would immediately perceive it as this abbreviation. To my mind, this is greatly aided by the composition of the contested mark as a whole; the abbreviation readily lends itself to combining with the words which follow, i.e. 'FOR LED', to form a grammatically correct phrase. As a whole, the contested mark is likely to be perceived as an inventive marketing slogan and understood as an indication that the undertaking responsible for the mark pays particular care and attention whilst, for instance, producing or designing LED lighting products. The competing marks conceptually overlap insofar as they both evoke the meaning of light-emitting diodes. However, the competing marks are conceptually different as this is used in a descriptive context in the earlier mark and as part of a solitary unit with a different overall meaning in the contested mark. Overall, I find that the competing marks are conceptually similar to a low degree.

The second and third earlier marks and the contested mark

58. For the reasons previously explained, the second and third earlier marks provide no concept to consumers. The contested mark provides a concept (outlined above) that is not replicated by the second and third earlier marks. As such, the competing marks are conceptually dissimilar.

²² *The Picasso Estate v OHIM*, Case C-361/04 P

²³ <https://dictionary.cambridge.org/dictionary/english/tlc>

Likelihood of confusion

59. 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. One such factor is the interdependency principle, i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services, and vice versa. As mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier trade marks, 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.

60. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., sitting as the Appointed Person, explained that:

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

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

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

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

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

61. These three categories are not exhaustive. Rather, they were intended to be illustrative of the general approach, as has been confirmed by the Court of Appeal.²⁴ However, indirect confusion has its limits. I recognise that a finding of indirect confusion should not be made merely because the competing marks share a common element. In this connection, it is not sufficient that a mark merely calls to mind another mark: this is mere association not indirect confusion.²⁵ The Court of Appeal has also emphasised that, where there is no direct confusion, there must be a “proper basis” for finding indirect confusion.²⁶

²⁴ *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207

²⁵ *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17

²⁶ *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207

62. Earlier in this decision, I concluded that:

- There is a very low degree of similarity between the applied-for goods and those in class 9 of the first and second earlier marks;
- There is a low degree of similarity between the applied-for goods and those in class 11 of the second earlier mark;
- There is a low degree of similarity between the applied-for goods and the services in class 37 of the third earlier mark;
- There is a low degree of similarity between the applied-for services and those in class 37 of the third earlier mark;
- Relevant consumers of the goods and services at issue will include business users and members of the general public;
- Depending on the particular goods or services in question, the level of attention of business users will vary from between low and medium to high, whilst the purchasing process will be either predominantly visual or a combination of visual and aural means;
- The general public will demonstrate a medium level of attention when selecting the goods and services, which will be a predominantly visual process;
- The earlier marks possess between a low and medium level of inherent distinctive character, which has not been enhanced through use;
- The overall impression of the first earlier mark is dominated by the string 'TCL', while 'Micro LED' plays a much lesser role;
- The overall impression of the second and third earlier marks is dominated by the string 'TCL', being the only element of the marks;

- The overall impression of the contested mark lies in the mark as a whole;
- The first earlier mark and the contested mark are visually and aurally similar to between a low and medium degree, and conceptually similar to a low degree;
- The second and third earlier marks and the contested mark are visually and aurally similar to a low degree, and conceptually dissimilar.

63. At the hearing, Ms Messenger submitted that the opponent does not appear to have alleged that there is a likelihood of direct confusion and, therefore, my global assessment ought to be limited to whether there is a likelihood of indirect confusion.

64. I note that, within its statement of grounds, the opponent pleaded that:

“2. [...] the Applicant’s mark is similar to the earlier trade marks belonging to the Opponent and is to be registered for goods and services identical with or similar to those for which the Opponent’s earlier trade marks are protected such that there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

And

“9. [...] the Opponent submits that a likelihood of confusion is inevitable. This likelihood of confusion includes a likelihood of association, namely the relevant public will be likely to think that the goods or services of the Applicant and Opponent have the same origin or an associated origin.”

65. To my mind, the opponent’s pleadings in this regard were clear. The opponent alleged that there is a likelihood of confusion pursuant to section 5(2)(b) of the Act. This would include direct confusion, albeit that the opponent argued that it specifically included indirect confusion.

66. There is no doubt that the applicant understood the claim made against it. In its counterstatement, the applicant acknowledged that the opponent was arguing that “there is a risk of confusion (including a likelihood of association)”.²⁷ Nowhere did the applicant characterise the opponent’s claim as there being only a likelihood/risk of association.

67. Further, within his skeleton argument, Mr Sorenti submitted that:

“3. [...] the Applicant’s mark is similar to the earlier trade marks belonging to the Opponent and is to be registered for goods and services identical with or similar to those for which the Opponent’s earlier trade marks are protected such that there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

And

“10. In summary, the respective marks are visually highly similar. The different order of the second and third letters “LC” and “CL” is such a minor difference that consumers may not notice it unless they pay particular attention and look carefully at the marks side by side. Even if they do notice the differences, they are still likely to assume that the goods and services originate from the same business, perhaps assuming that they represent a variant of the products.”

And

“16. [...] As a consequence, consumers encountering the marks in the same or very proximate commercial environment, will certainly confuse them, perceiving them as coming from the same undertaking or from economically linked undertakings.”

68. Again, the above submissions clearly indicate that the opponent was claiming that there is a likelihood of confusion. Although Mr Sorenti stated that this included the

²⁷ Applicant’s counterstatement, paragraphs 1, 3 and 5

likelihood of association, it also includes direct confusion. He neither withdrew the opponent's claim as to direct confusion nor argued that only indirect confusion would arise. The arguments regarding the potential for the differences between the competing marks to go unnoticed further indicate that the opponent was claiming that direct confusion may occur.

69. In her skeleton argument, before making submissions on the issue of indirect confusion, Ms Messenger argued as follows:

“37. However, considering all the above factors globally through the eyes of the average consumer, insofar as there is any similarity between the goods and services in issue there is no likelihood of the Application being mistaken for the Earlier Marks, or any of them and as such there is no likelihood of direct confusion.”

70. Ms Messenger appears to have entirely understood the nature of the opponent's claim. As can be seen, she made specific submissions on the issue of direct confusion. At the hearing, Mr Sorenti confirmed that the opponent was alleging both direct and indirect confusion when responding to Ms Messenger's submissions.

71. In light of all of this, I consider the position to be clear. Direct confusion was included within the opponent's claim from its initiation. Submissions have been made on it by both parties throughout these proceedings. There is nothing to suggest that this element of the opponent's claim was ever withdrawn, or that the opponent had limited its case to an allegation of indirect confusion, i.e. it has never argued that there was only a likelihood of indirect confusion. The language used in the opponent's high-level claims on confusion throughout these proceedings mirrors the wording of section 5(2)(b) within the Act, as is commonplace in Registry proceedings. It would not be fair to interpret the opponent's claim in such a way as to exclude direct confusion, simply because it has explicitly included indirect confusion. A likelihood of confusion includes, by definition, circumstances in which the average consumer is directly confused. Therefore, I do not consider it appropriate to only consider whether there is a likelihood of indirect confusion and will, instead, consider both types below.

The first earlier mark and the contested mark

72. I acknowledge that the competing marks have a similar composition, that being two three-letter strings separated by a word. I also accept that the first of these strings, i.e. 'TCL'/'TLC', are comprised of the same letters and that this similarity appears at the beginning of the marks. I have found that the former dominates the overall impression of the first earlier mark. Further, I recognise that the competing marks end with an identical three-letter string, i.e. 'LED'. Nevertheless, there are differences between the marks which are not negligible. While the competing marks both begin with the letter 'T', the following two letters in the first string are in a different order and the words which follow, i.e. 'Micro'/'FOR', are clearly very different. The word 'FOR' plays an important role in the overall impression of the contested mark and, although I have found that the word 'Micro' (in combination with the string 'LED') in the first earlier mark plays a much lesser role in its overall impression, it will not be entirely overlooked by consumers. Another distinguishing factor is that the first string in the first earlier mark has no meaning and is likely to be perceived as no more than three letters from the English alphabet; conversely, I have found that consumers will immediately understand the first string in the contested mark to be an abbreviation for tender loving care. In this connection, the similar elements at the beginnings of the competing marks will leave different impressions on consumers. The well-known meaning of 'TLC' will act as a conceptual hook and enable consumers to distinguish between these elements when recalling the competing marks. Overall, there are relatively low levels of visual and aural similarity between the competing marks and, whilst the competing marks both convey the meaning associated with light-emitting diodes, this gives rise to only a low level of conceptual overlap. When considering the competing marks as wholes, they provide different meanings: the first earlier mark three letters from the English alphabet followed by a descriptive reference to the goods and the contested mark a marketing slogan. Taking all the above factors into account, as well as the low levels of similarity between the parties' goods and services and the relatively low level of distinctiveness of the first earlier mark, it is my view that the aforementioned differences between the competing marks are likely to be sufficient for consumers – even when paying a lower than medium level of attention during the purchasing process – to distinguish between them and avoid mistaking one for the

other. Accordingly, notwithstanding the principles of imperfect recollection and interdependency, it follows that there will be no direct confusion.

73. Having noticed the differences between the competing marks, I do not believe that consumers will assume that the opponent and the applicant are economically linked undertakings on the basis of the competing trade marks. I am unconvinced that consumers would assume a commercial association or licencing arrangement between the parties, or sponsorship on the part of the opponent, merely because of the similar strings 'TCL'/'TLC' and identical string 'LED'. The common element 'LED' is not so strikingly distinctive that consumers would assume that only the opponent would be using them in a trade mark. To the contrary, I have found that this string is descriptive. Moreover, the differences between the competing marks are not simply adding or removing non-distinctive elements. Nor are the differences consistent with any logical brand extensions with which consumers would be familiar. Although the word 'Micro' in the first earlier mark is descriptive, replacing this word, along with rearranging the string 'TCL' to produce the string 'TLC', results in entirely different mark with a different meaning; I can see no reason why an undertaking would alter the seemingly arbitrary letters 'TCL' to a well-known abbreviation and replace the word 'Micro' with the word 'FOR', resulting in a mark with unitary character and a different overall impression. I have acknowledged that the categories outlined in *L.A. Sugar* were not exhaustive. However, to my mind, there is no other basis for concluding that consumers – even those paying a lower than medium level of attention during the purchasing process – would assume an economic connection between the parties. This is particularly the case, given the relatively low level of distinctive character possessed by the first earlier mark and the low levels of similarity between the parties' goods and services. Taking all of this into account, I do not consider there to be a likelihood of indirect confusion.

The second and third earlier marks and the contested mark

74. I note that these competing marks contain the similar strings 'TCL' and 'TLC'. The former constitutes the entirety of the earlier marks and the latter appears at the beginning of the contested mark. Nonetheless, there are differences between the marks which are not negligible. Whilst the competing marks both begin with the letter

'T', the two letters which follow are in a different order. The string in the contested mark has a well-known meaning which is not shared by the earlier marks. Moreover, the contested mark contains the word 'FOR' and the string 'LED'; these elements are not replicated in the earlier marks and render the contested mark much greater in length. They result in low levels of visual and aural similarity between the marks. To my mind, none of the aforementioned differences will be overlooked by consumers during the purchasing process. Furthermore, the additional elements play an important role in the overall impression of the contested mark; they combine with the string 'TLC' to form a unit and it is all of the elements together which give the mark its meaning. In this connection, the contested mark has a clear meaning which will be retained and recalled by consumers. Conversely, the earlier marks comprise three seemingly arbitrary letters from the English alphabet with no discernible meaning. The conceptual 'hook' in the contested mark will allow consumers to distinguish between the competing marks. I have also found that the parties' goods and services are only similar to a low degree and that the earlier marks possess a relatively low level of distinctiveness; these are both factors which point away from confusion. In light of all of this, it is my view that the aforementioned differences between the competing marks are likely to be sufficient for consumers – even when paying a lower than medium level of attention during the purchasing process – to distinguish between them and avoid mistaking one for the other. Consequently, notwithstanding the principles of imperfect recollection and interdependency, it follows that there will be no direct confusion.

75. Having noticed the differences between these competing marks, I do not believe that consumers will assume that the opponent and the applicant are economically linked undertakings on the basis of the competing trade marks. I am unconvinced that consumers would assume a commercial association or licencing arrangement between the parties, or sponsorship on the part of the opponent, merely because of the similar strings 'TCL'/'TLC'. The earlier marks are not so strikingly distinctive that consumers would assume that only the opponent would be using those three letters in a trade mark. The combination of letters possesses a relatively low level of inherent distinctive character. As was the case with my prior assessment, the differences between the trade marks are not simple additions or removals of non-distinctive elements and neither are they consistent with any logical brand extensions. Rearranging the letters 'TCL' to 'TLC' and adding 'FOR LED' entirely changes the

impressions that the marks as wholes will leave on consumers. There is no obvious reason why an undertaking would change a three-letter mark with no meaning to a well-known abbreviation and two additional words which, in combination, provide a clear marketing message. Whilst indirect confusion is not limited to the categories expressly outlined in *L.A. Sugar*, I can see no other basis for concluding that consumers – even those paying a lower than medium level of attention during the purchasing process – would assume an economic connection between the parties. I find support for this finding in the relatively low level of distinctive character possessed by the earlier marks and the low levels of similarity between the parties' goods and services. In light of the above, I find that there is no likelihood of indirect confusion.

Honest concurrent use

76. In its counterstatement, the applicant contended that it had used the contested mark in the UK as early as 2017 and that the competing marks had coexisted in the UK for at least three years without any consumer confusion.²⁸ The applicant then filed evidence outlining the background and activities of the company, as well as its use of the contested mark. Honest concurrent use was also relied upon by the applicant at the hearing.

77. Firstly, it is important to clarify that a lack of actual confusion by consumers is not relevant; although evidence of actual confusion may be persuasive where it exists, the absence of confusion on the marketplace is rarely significant. In *Roger Maier and Another v ASOS*, [2015] EWCA Civ 220, Kitchen LJ stated that:

“80. [...] the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in *Specsavers* at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion. But conversely, the absence of actual confusion despite side by side use may be powerful evidence that they are not

²⁸ Applicant's counterstatement, §19

sufficiently similar to give rise to a likelihood of confusion. This may not always be so, however. The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur.”

78. However, it is settled law that a long period of honest concurrent use may defeat a claim of confusion.²⁹ Circumstances that give rise to this defence must be exceptional.³⁰ Although, given the outcome of the opposition, it is not strictly necessary, I will consider the applicant’s defence for the sake of completeness.

79. The opponent’s evidence has been summarised above at paragraphs 41 to 45.

80. For the applicant, Mr Hansen gives evidence that the applicant specialises in the design, manufacture and installation of sports, large area, transportation and infrastructure lighting systems,³¹ and provides maintenance services in relation to the same.³² He says that the contested mark has been used in the UK since at least 2017 in connection with the applicant’s ‘TOTAL LIGHT CONTROL’ approach.³³ Since that time, I note that the applicant has provided lighting solutions to, inter alia, Twickenham Stadium, O2 Arena, Manchester Arena, Wimbledon Centre Court, Arsenal Football Club, Manchester City Football Club and Wembley Stadium.³⁴ The applicant’s customers also included Fulham Football Club.³⁵ I note that, overall, 148 sales of lighting systems specifically relating to the contested mark were completed in the UK since 2017.³⁶ The typical cost for the design and installation of the applicant’s lighting systems can be hundreds of thousands of pounds or more.³⁷ Goods and services bearing the contested mark have been promoted on social media platforms such as

²⁹ *Budejovicky Budvar NP v Anheuser-Busch Inc*, Case C-482/09, and *Victoria Plum Ltd v Victorian Plumbing Ltd* [2016] EWHC 2911 (Ch)

³⁰ *Budejovicky Budvar NP v Anheuser-Busch Inc*, Case C-482/09

³¹ Witness statement of Mr James Hansen, §3

³² Hansen, §12

³³ Hansen, §4 & §18

³⁴ Exhibit JH1; Hansen, §6

³⁵ Exhibit CL1

³⁶ Hansen, §13

³⁷ Hansen, §12

YouTube, LinkedIn, Facebook, Instagram and Twitter,³⁸ as well as by distribution of brochures to potential customers.³⁹ Finally, I note that Mr Limpach appeared at Leaders Week London 2021 on behalf of the applicant.⁴⁰

81. For a defence of honest concurrent use to succeed, I would need to be satisfied that the parties have traded in circumstances where the relevant public has been exposed to both marks and has been able to differentiate between them without confusion as to the trade origin of the goods or services. The evidence filed by the parties in this case is limited. Although it appears that there has been some use of the competing marks, the evidence establishes that the opponent's and the applicant's marks have only been used in the UK since 2018 and 2017, respectively. Even if the use shown was more compelling, this would be a period of only (roughly) three years coexistence. To my mind, this is far below the exceptional circumstances required for such a defence to succeed. Furthermore, there is a distinct lack of evidence demonstrating that the competing marks ever came into conflict during this time. For example, there is no evidence that the parties' goods and services were made available to consumers through the same trade channels or present in circumstances where they would be viewed alongside one another. To the contrary, the opponent's evidence suggests that it predominantly offered televisions during that time, while the applicant offered specialist lighting products, as well as associated design and installation services. Clearly, the parties operate within distinct parts of the marketplace. In light of all of this, it is my view that the evidence before me is insufficient to establish that there had been peaceful coexistence between the competing marks that resulted in relevant consumers being accustomed to distinguishing between the parties. The circumstances of this case are plainly not consistent with those outlined in case law. I am not satisfied that confusion would be avoided (if it existed) because of honest concurrent use. Consequently, the applicant's defence is dismissed; it would not have assisted the applicant had I concluded that there is a likelihood of confusion.

³⁸ Hansen, §15

³⁹ Hansen, §8; Exhibits JH4, JH10, JH11 and JH12

⁴⁰ Exhibit JH8

Conclusion

82. The opposition under section 5(2)(b) of the Act has failed. Subject to any successful appeal, the application will proceed to registration in the UK.

Costs

83. As the applicant has been successful, it is entitled to a contribution towards its costs. Based upon the scale in Tribunal Practice Notice 2/2016, I award the applicant the sum of **£1,300** as a contribution towards the cost of the proceedings. This sum is calculated as follows:

Considering the opponent's statement and preparing a counterstatement	£300
Preparing evidence and considering the opponent's evidence	£600
Preparing for and attending a hearing	£400
Total	£1,300

84. I therefore order TCL Technology Group Corporation to pay Musco Corporation the sum of **£1,300**. This 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 (subject to any order made by the appellate tribunal).

Dated this 26th day of January 2023

James Hopkins
For the Registrar