

O/0155/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003663317

BY CAR TO GO SWEDEN AB

TO REGISTER THE TRADE MARK:

CARPLUS

IN CLASSES 35 AND 36

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 429621 BY

SALVADOR CAETANO – AUTO – SGPS S.A.

BACKGROUND AND PLEADINGS

1. On 1 July 2021, Car to Go Sweden AB (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was made pursuant to Article 59 of the Withdrawal Agreement between the United Kingdom and the European Union. Under the terms of that agreement, the applicant is entitled to rely upon the earlier EU filing date i.e. 20 September 2020. The application also claims priority from an earlier EU mark (no. 18127928 from 20 September 2019). The application was published for opposition purposes on 24 September 2021 and registration is sought for the services set out at Annex 1 to this decision.

2. On 23 December 2021, the application was opposed by SALVADOR CAETANO – AUTO – SGPS S.A. (the opponent”) based upon sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). Under both sections, the opponent relies upon the following trade mark:



UKTM no. 918124801

Filing date 13 September 2019; registration date 22 May 2020

3. Under section 5(2)(b), the opponent relies upon some of the services for which the mark is registered as set out in paragraph 17 below. The section 5(2)(b) opposition is directed against the applicant’s class 35 services only. The opponent claims that the marks are similar, “consisting of the identical term CARPLUS” and that the services are also similar. Consequently, the opponent claims that there is a likelihood of confusion.

4. Under section 5(3), the opponent claims a reputation in relation to all of the goods and services for which the earlier mark is registered, as set out in Annex 2 to this decision. The section 5(3) opposition is directed against all of the applicant's services. The opponent claims that use of the applicant's mark would, without due cause, take unfair advantage of, or be detrimental to, the distinctive character and/or reputation of the earlier mark.

5. The applicant filed a counterstatement denying the claims made, but admitting that some of the parties' services are similar. I return to this admission below.

6. The applicant is represented by Kilburn & Strode LLP and the opponent is represented by Withers & Rogers LLP.

7. Both parties filed evidence in chief. The opponent did not file evidence in reply. Neither party requested a hearing, but both filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE AND SUBMISSIONS

8. The opponent filed evidence in the form of the witness statements of Carlos Sérgio Pinto de Sousa Barros dated 27 June 2022 and Ana Christina Borges Manuel dated 20 July 2022. Mr Barros is a Director of the opponent and Ms Manuel is a certified translator who has translated various documents for the purpose of these proceedings.

9. The applicant filed evidence in the form of the witness statement of Ms Nora Fowler dated 2 September 2022. Ms Fowler is a trade mark attorney acting on behalf of the applicant in these proceedings.

10. Both parties filed written submissions dated 28 November 2022.

11. I have taken the evidence and submissions into consideration in reaching my decision.

RELEVANCE OF EU LAW

12. 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. This is why this decision continues to make reference to the trade mark case-law of EU courts.

DECISION

Section 5(2)(b)

13. Section 5(2)(b) of the Act reads as follows:

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

(a)...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

14. Section 5A of the Act is as follows:

“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. Because its filing date pre-dates the priority date claimed by the applicant, the trade mark upon which the opponent relies qualifies as an earlier trade mark pursuant

to section 6 of the Act. As the earlier mark had not completed its registration process more than 5 years before the priority date claimed for the mark in issue, it is not subject to proof of use pursuant to section 6A of the Act. The opponent can, therefore, rely upon all of the goods and services identified.

16. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(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 services

17. Under section 5(2)(b), the opponent opposes the applicant's class 35 services only and relies upon the following services in its own specification:

Opponent's services	Applicant's services
<u>Class 35</u> Advertising; Services for the promotion and retailing of goods via computer networks being the internet, namely	<u>Class 35</u> Advertising; Advertising; Business management; Business administration; Office functions services; Advertising

<p>retailing of automobiles and retailing of automobile goods; Promotion and retailing relating to automobiles.</p>	<p>services relating to the sale of motor vehicles; Retail services in relation to fuels; Corporate advisory services; Business advisory services relating to the establishment of motor dealership; Procurement of contracts [for others]; Mediation and conclusion of commercial transactions for others; Arranging of contracts, for others, for the providing of services; Arranging of trading transactions and commercial contracts; Outsourcing services in the nature of arranging service contracts for others; Procurement of contracts concerning energy supply; Intermediary services relating to advertising; Mediation of agreements regarding the sale and purchase of goods; Procurement of contracts for the purchase and sale of goods and services; Administration of incentive award programs to promote the sale of the goods and services of others; Administrative processing of purchase orders placed by telephone or computer; Arranging of contractual [trade]services with third parties; Arranging business introductions relating to the buying and selling of products; Ordering services for third parties; Business intermediary and advisory services in the field of selling products and rendering services; Sales administration; Provision of online financial services comparisons;</p>
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	<p>Comparison shopping services; Provision of online price comparison services; Computerized on-line ordering services; Product demonstrations and product display services; Presentation of goods and services; Presentation of financial products on communication media, for retail purposes; Sales demonstration [for others]; Demonstration of goods; Sales promotion for others.</p>
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18. When making the comparison, all relevant factors relating to the services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, Case C-39/97, the court stated at paragraph 23 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.”

19. 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.

20. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court (“GC”) stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut for 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.”

21. The opponent has provided very limited explanation as to why it considers the services to be similar. Its submissions are as follows:

“23. The class 35 services applied for by the Applicant are either identical, similar or complementary to the services in respect of which the Opponent’s Mark is registered. The Applicant itself admits that some of the services covered by the Application are identical or similar to those of the Opponent (see paragraph 5 of the Notice of Defence and Counterstatement).

24. For example, per the *Merici* principle, the class 35 services relating to “advertising services relating to the sale of motor vehicles” and “intermediary services relating to advertising” in the Application are identical to the

Opponent's class 35 services relating to "advertising". This will result in a clear likelihood of confusion between the respective marks, particularly given that both marks are pronounced identically.

25. The remaining class 35 services in the Application are either similar or complimentary to the services for which the Opponent's Mark is registered. This is because the services relate to the promotion, sale and/or retail of motor vehicles or vehicle-related goods, and related services. Accordingly, the respective uses and users of the relevant services, their physical nature and the trade channels through which they reach the market are either identical or similar to a high degree."

Class 35

Advertising; Advertising; Advertising services relating to the sale of motor vehicles; Sales promotion for others.

22. The applicant admits that these services are identical or similar to the opponent's services. I agree. They are all clearly either self-evidently or *Meric* identical to the term "advertising" in the opponent's specification.

Intermediary services relating to advertising;

23. In my view, this term would fall within the broader category of "advertising" in the opponent's specification and, consequently, is identical on the principle outlined in *Meric*.

Business management; Business administration; Office functions services; Administrative processing of purchase orders placed by telephone or computer; Sales administration;

24. These terms in the applicant's specification cover various outsourcing services which are offered to businesses that require external support for part of their operations. In my view, these are specific services which are unlikely to overlap in

trade channels with the opponent's services. They do not overlap in nature, method of use or purpose. The users will be the same to the extent that both can be used by businesses, but that is not enough on its own for a finding of similarity. They are not in competition or complementary. Taking all of this into account, I consider the services to be dissimilar.

Corporate advisory services; Business advisory services relating to the establishment of motor dealership;

25. These terms in the applicant's specification cover general advisory services relating to the establishment and conduct of a business. I accept that there may be an element of advertising advice included as part of these services, however, it is far from the main purpose. The nature and method of use of the services is likely to differ. I do not consider the services to be in competition. There may be some very limited overlap in trade channels. I do not consider the services to be complementary because, whilst there may be some overlap in trade channels, they are not important or indispensable to each other. Again, the users of the services will clearly overlap. In my view, any similarity between the services will be at a very low degree.

Retail services in relation to fuels;

26. Whilst fuel is used with automobiles, I do not consider it to fall within opponent's retail of automobile goods. In the absence of any evidence on the point, I can see no obvious point of overlap in trade channels, nature or method of use. The purpose of the services will differ and I see no reason for them to be in competition or complementary. Whilst there may be an overlap in user, I do not consider this sufficient on its own for a finding of similarity. Consequently, I consider the services to be dissimilar.

Procurement of contracts [for others]; Mediation and conclusion of commercial transactions for others; Arranging of contracts, for others, for the providing of services; Arranging of trading transactions and commercial contracts; Outsourcing services in the nature of arranging service contracts for others; Procurement of contracts concerning energy supply; Mediation of agreements regarding the sale and purchase

of goods; Procurement of contracts for the purchase and sale of goods and services; Arranging of contractual [trade]services with third parties; Arranging business introductions relating to the buying and selling of products; Ordering services for third parties; Business intermediary and advisory services in the field of selling products and rendering services;

27. These terms in the applicant's specification are, essentially, brokerage services. They would not include financial brokerage services because such services would be included in class 36. These are likely to be business to business services, whereas the opponent's retail services are likely to be business to consumer services. Even where the applicant's services are aimed at the general public, any overlap in user will be at a very superficial level. The method of use, nature and purpose of the services will differ. I accept that there will be some overlap in user. The services are unlikely to be offered through the same trade channels, as the applicant's services are likely to be provided by specialist businesses. I do not consider there to be competition or complementarity. Consequently, I consider the services to be dissimilar.

Administration of incentive award programs to promote the sale of the goods and services of others;

28. The administration of an incentive program may overlap in trade channels with "advertising" in the opponent's specification. These are also services that are likely to overlap in user. The purpose of the services will also overlap i.e. to encourage customers to buy the goods or services of a particular entity. The method of use of the services may differ. I do not consider the services to be in competition or complementary. Taking all of this into account, I consider the services to be similar to a medium degree.

Provision of online financial services comparisons; Comparison shopping services; Provision of online price comparison services;

29. These are all price comparison services. They are typically provided by specific businesses who then re-direct potential customers to the best priced service provider. In my view, these cannot be said to be advertising services. I accept that there may

be some overlap in user, but there will be no overlap in trade channels or method of use (other than that, at a very high level, both may be accessed through websites, for example). The purpose of the services clearly differ as these are specific services aimed at showing customers the business offering the best possible price for the service required. I do not consider these services to be in competition or complementary. In the absence of any evidence to the contrary, I am unable to find any similarity between the services.

Computerized on-line ordering services;

30. In my view, these services are identical on the principle outlined in *Meric* to “services for the promotion and retailing of goods via computer networks being the internet, namely retailing of automobiles and retailing of automobile goods” in the opponent’s specification.

Presentation of financial products on communication media, for retail purposes; Product demonstrations and product display services; Presentation of goods and services; Sales demonstration [for others]; Demonstration of goods;

31. Advice on how to present goods and services offered by a business to customers is clearly part of an advertising service. Consequently, I consider these terms to fall within the broader category of “advertising” in the opponent’s specification.

32. Similarity of services is a requirement for an opposition under section 5(2)(b). Consequently, for those services that I have found to be dissimilar, there can be no likelihood of confusion, and the opposition based upon section 5(2)(b) must fail.

The average consumer and the nature of the purchasing act

33. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ services. I must then determine the manner in which the services are likely to be selected by the average consumer. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The*

Partnership (Trading) Limited, U Wear Limited, J Fox Limited, [2014] EWHC 439 (Ch), Birss J described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

34. The average consumer for the services will be either a member of the general public or a business user. The opponent submits that the average consumer is likely to pay a low to medium degree of attention during the purchasing process, whereas the applicant submits that the level of attention paid will be high. I accept that the level of attention paid during the purchasing process is likely to vary, but taking into account the cost of the services, and the fact that many are likely to affect the functioning of the business, or relate to the purchase and promotion of high value goods (such as cars) the level of attention will be at least medium. I accept that in many cases the level of attention paid will be high.

35. The purchasing process of the services is likely to involve perusal of signage on websites or physical premises and so visual considerations are likely to dominate the selection process. However, given that purchases may be made following discussion with an intermediary and contact between customers and service providers may be initiated by telephone, I do not discount an aural component.

Comparison of trade marks


36. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade 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.”

37. 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.

38. The respective trade marks are shown below:

Opponent's trade mark	Applicant's trade mark
	CARPLUS

39. The applicant's trade mark consists of the conjoined words CARPLUS. The overall impression of the mark lies in the combination of these words. The opponent's mark consists of the conjoined words CarPlus, in navy blue font, with the word CAR in bold, and a red semi-circle serving as a half-border. The applicant submits that it is the red semi-circle and the use of coloured font that are the dominant and distinctive elements of the opponent's mark. In my view, whilst the overall impression of the mark lies in

the combination of these figurative/stylisation elements and the word elements, it is the words that play the greater role.

40. Visually, the marks coincide in their word elements which are both CARPLUS/CarPlus. The applicant seeks to draw some distinction from the fact that the two words in the opponent's mark are clearly identified by the use of different fonts, whereas they are conjoined in the applicant's mark. However, both marks clearly contain two identifiable English words and I consider that the average consumer will be able to identify them as such in both marks. The applicant's trade mark is word only and so could be used in any standard typeface or colour. The red semi-circle is a point of visual difference. Taking all of this into account, I consider the marks to be visually highly similar.

41. Aurally, the marks will both be articulated in the same way i.e. as the ordinary dictionary words CAR and PLUS. Consequently, they will be aurally identical.

42. Conceptually, the words CAR and PLUS will be given their ordinary dictionary meanings, which will be identical for both marks. The opponent submits that the red semi-circle is intended to replicate the outline of a car. I do not think this will be apparent to the average consumer. The stylisation in the opponent's mark will not have any concept, and so the marks are conceptually identical.

Distinctive character of the earlier trade mark

43. 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-2779, 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).”

44. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctive character of a mark can be enhanced by virtue of the use that has been made of it.

45. The relevant market for assessing enhanced distinctive character is the UK market. Mr Barros states that the opponent “is the largest automotive retail operator in Portugal, with a consolidated presence in Spain, Africa and, more recently, Colombia”. There is no evidence that the opponent has been trading in the UK. Consequently, I have only the inherent position to consider. The applicant submits that the opponent’s mark has, at best, an average degree of distinctiveness. I agree. The conjoined words CARPLUS are low in distinctiveness for services related to the automobile sector. Where the opponent’s advertising services are not specifically related to the automobile sector, there will be an average (or medium) degree of inherent distinctive character. I do not consider that the semi-circle device and the use of colour will raise the distinctiveness of the mark to any significant degree.

Likelihood of confusion

46. 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 services down to the responsible undertaking being the same or related. 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. The first 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 services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the 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 he has retained in his mind.

47. I have found as follows:

- a) The services vary from being similar to a very low degree to identical.
- b) The average consumer is a member of the general public or a business user who will pay at least a medium degree of attention during the purchasing process (although in many cases the level of attention will be higher).
- c) The purchasing process is predominantly visual, although I do not discount an aural component.
- d) The marks are visually similar to a high degree and aurally and conceptually identical.
- e) The earlier mark is inherently distinctive to a low degree for any services related to the automobile industry, and inherently distinctive to an average (or medium) degree for others.

48. Whilst I accept that for some of the services the opponent's mark is low in distinctiveness, in my view, this will be offset by the similarity of the marks. Given the high degree of visual similarity of the marks and the fact that the purchasing process is predominantly visual, I consider it likely that the marks will be mistakenly recalled or misremembered as each other. In my view, it is the word element that the average consumer is likely to recall and so the semi-circle device and use of colours is likely to be overlooked when factoring in the principle of imperfect recollection. This will, in my view, apply to all of those services that I have found to be similar to at least between a low and medium degree.

49. If the average consumer does recall the device and use of colour in the opponent's mark and recognises these differences, there will, in my view still be a likelihood of indirect confusion. This is because the average consumer will just view these presentational differences as being a different mark being used by the same undertaking. The common word element will lead the average consumer to conclude that the marks originate from the same business. This will, again, apply to all of those services that I have found to be similar to at least between a low and medium degree.

50. The opposition based upon section 5(2)(b) succeeds in relation to the following services only:

Class 35 Advertising; Advertising; Advertising services relating to the sale of motor vehicles; Intermediary services relating to advertising; Administration of incentive award programs to promote the sale of the goods and services of others; Computerized on-line ordering services; Product demonstrations and product display services; Presentation of goods and services; Presentation of financial products on communication media, for retail purposes; Sales demonstration [for others]; Demonstration of goods; Sales promotion for others.

51. The opposition based upon section 5(2)(b) fails in relation to the following services:

Class 35 Business management; Business administration; Office functions services; Retail services in relation to fuels; Corporate advisory services; Business advisory services relating to the establishment of motor dealership; Procurement of contracts [for others]; Mediation and conclusion of commercial transactions for others; Arranging of contracts, for others, for the providing of services; Arranging of trading transactions and commercial contracts; Outsourcing services in the nature of arranging service contracts for others; Procurement of contracts concerning energy supply; Mediation of agreements regarding the sale and purchase of goods; Procurement of contracts for the purchase and sale of goods and services; Administrative processing of purchase orders placed by telephone or computer; Arranging of contractual [trade]services with third parties; Arranging business introductions relating to the buying and selling of products; Ordering services for third parties; Business intermediary and advisory services in the field of selling products and rendering services; Sales administration; Provision of online financial services comparisons; Comparison shopping services; Provision of online price comparison services.

Section 5(3)

52. Section 5(3) of the Act states:

“5(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, [...] shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

53. Section 5(3A) of the Act states:

“Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”

54. As the earlier trade mark is a comparable mark, paragraph 10 of Part 1, Schedule 2A of the Act is relevant. It reads:

“10.— (1) Sections 5 and 10 apply in relation to a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the reputation of a comparable trade mark (EU) falls to be considered in respect of any time before IP completion day, references in sections 5(3) and 10(3) to—

(a) the reputation of the mark are to be treated as references to the reputation of the corresponding EUTM; and

(b) the United Kingdom include the European Union”.

55. The relevant case law can be found in the following judgments of the CJEU: *Case C-375/97, General Motors, Case 252/07, Intel, Case C-408/01, Adidas-Salomon, Case C-487/07, L’Oreal v Bellure and Case C-323/09, Marks and Spencer v Interflora and Case C383/12P, Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29 and Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77 and Environmental Manufacturing, paragraph 34*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

56. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the earlier mark and the applicant's mark are similar. Secondly, the opponent must show that the earlier mark has achieved a knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the later mark. Finally, and assuming the first three conditions have been met, section 5(3) requires that one or more of the types of damage will occur. It is unnecessary for the purposes of section 5(3) that the services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

57. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

58. As the earlier mark is a comparable mark, use of the mark in the EU is relevant to the question of reputation. In this case, the relevant date falls before IP Completion Day (31 December 2020), and so use in the EU all the way up to the relevant date will be of assistance to the opponent.

59. Mr Barros confirms that the opponent has more than 6750 employees in 41 countries and that the CARPLUS brand has been used in relation to an online platform for buying and selling cars. He confirms that the earlier mark was first used in Portugal in 2000 and that the opponent's sales in the EU are as follows:

	Year	Volume (in excess of)	Sales in GBP (in excess of)
EU	2014	4,800	30,700,000
	2015	5,800	36,000,000
	2016	6,000	39,700,000
	2017	5,900	38,000,000
	2018	5,900	39,500,000
	2019	8,000	45,600,000

60. Mr Barros has provided a selection of promotional materials, but these are mainly undated or dated after the relevant date.¹ I have reviewed the webpages from the opponent's website and note that the following sign has been used since 2016:



61. The sales figures provided are clearly not insignificant. Mr Barros gives narrative evidence that sales have been made in Portugal and Spain, which is supported by invoices.² However, no information has been provided to me about the amount invested in promoting the trade mark in the EU.

62. I note that Ms Fowler's evidence focuses upon the size of the market for car sales; various reports have been provided which show that the market for cars in Europe is extensive (\$475billion for Europe in 2021 and \$37.06billion for Spain in 2021)³. These documents support my own view that this is likely to be an enormous market, both in the UK and the EU. Even with the above sales figures, it is likely that the opponent holds a very small percentage of the market in the EU. However, given that sales have been made in only 2 EU countries, the share held in those countries is likely to be higher. There are clearly gaps in the opponent's evidence. However, taking the evidence as a whole into account, I am satisfied that the opponent had at least a modest reputation in the EU in relation to retailing of automobiles.

63. In *China Construction Bank Corporation v Groupement Des Cartes Bancaires*, (Case BL O/281/14), Mr Purvis Q.C., sitting as the Appointed Person, stated:

"40. ... I believe that the ultimate decision under s5(3) was nonetheless correct. In order to succeed under s5(3), the opponent has to show either that the distinctive character or repute of its earlier mark would be damaged by

¹ Exhibit 2

² Exhibit 1

³ Exhibits NFX1 and NFX3

reasonable and fair use of the mark applied for, or that such reasonable and fair use would take unfair advantage of the reputation of its earlier mark. The reasonable and fair use of the mark applied for can only be use in the United Kingdom, since this is the entire territorial scope of the application.

41. If the reputation of the earlier mark does not extend to the United Kingdom, it is difficult to see how (at least in the usual case) it could be damaged by use of a mark in the United Kingdom, or that such use could be said to take unfair advantage of the earlier mark. For one thing, the necessary 'link' between the marks in the mind of the average consumer which must be established in any case which relies on the extended protected (see *Adidas-Saloman v Fitnessworld* [2004] ETMR 10) would not exist. There is certainly no evidence in the present case which explains how any 'link' could be made in the UK absent of a reputation here." (my emphasis)

64. There is no evidence at all that the opponent has a reputation in the UK market. Consequently, notwithstanding the opponent's reputation in the EU, it has failed to explain how any link could be made in the mind of the UK consumers absent a reputation here. Consequently, the objection under section 5(3) must fail.

CONCLUSION

65. The opposition has succeeded in relation to the following services for which the application is refused:

Class 35 Advertising; Advertising; Advertising services relating to the sale of motor vehicles; Intermediary services relating to advertising; Administration of incentive award programs to promote the sale of the goods and services of others; Computerized on-line ordering services; Product demonstrations and product display services; Presentation of goods and services; Presentation of financial products on communication media, for retail purposes; Sales demonstration [for others]; Demonstration of goods; Sales promotion for others.

66. The opposition has failed in relation to the following services for which the application may proceed to registration:

Class 35 Business management; Business administration; Office functions services; Retail services in relation to fuels; Corporate advisory services; Business advisory services relating to the establishment of motor dealership; Procurement of contracts [for others]; Mediation and conclusion of commercial transactions for others; Arranging of contracts, for others, for the providing of services; Arranging of trading transactions and commercial contracts; Outsourcing services in the nature of arranging service contracts for others; Procurement of contracts concerning energy supply; Mediation of agreements regarding the sale and purchase of goods; Procurement of contracts for the purchase and sale of goods and services; Administrative processing of purchase orders placed by telephone or computer; Arranging of contractual [trade]services with third parties; Arranging business introductions relating to the buying and selling of products; Ordering services for third parties; Business intermediary and advisory services in the field of selling products and rendering services; Sales administration; Provision of online financial services comparisons; Comparison shopping services; Provision of online price comparison services.

Class 36 Brokerage of credit agreements; Credit card and debit card services; Issuing electronic payment cards in connection with bonus and reward schemes; Bank card, credit card, debit card and electronic payment card services.

COSTS

67. The applicant has enjoyed the greater degree of success and, consequently, is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. I have taken into account the applicant's only partial success and applied what I consider to be an appropriate reduction. Consequently, I award the applicant the sum of £700, calculated as follows:

Preparing a counterstatement and considering the Notice of opposition	£150
Considering the opponent's evidence and preparing evidence	£400
Preparing written submission	£150
Total	£700

68. I therefore order SALVADOR CAETANO – AUTO – SGPS S.A. to pay Go Sweden AB the sum of £700. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 13th day of February 2023

S WILSON
For the Registrar

ANNEX 1

Class 35

Advertising; Advertising; Business management; Business administration; Office functions services; Advertising services relating to the sale of motor vehicles; Retail services in relation to fuels; Corporate advisory services; Business advisory services relating to the establishment of motor dealership; Procurement of contracts [for others]; Mediation and conclusion of commercial transactions for others; Arranging of contracts, for others, for the providing of services; Arranging of trading transactions and commercial contracts; Outsourcing services in the nature of arranging service contracts for others; Procurement of contracts concerning energy supply; Intermediary services relating to advertising; Mediation of agreements regarding the sale and purchase of goods; Procurement of contracts for the purchase and sale of goods and services; Administration of incentive award programs to promote the sale of the goods and services of others; Administrative processing of purchase orders placed by telephone or computer; Arranging of contractual [trade]services with third parties; Arranging business introductions relating to the buying and selling of products; Ordering services for third parties; Business intermediary and advisory services in the field of selling products and rendering services; Sales administration; Provision of online financial services comparisons; Comparison shopping services; Provision of online price comparison services; Computerized on-line ordering services; Product demonstrations and product display services; Presentation of goods and services; Presentation of financial products on communication media, for retail purposes; Sales demonstration [for others]; Demonstration of goods; Sales promotion for others.

Class 36

Credit card and debit card services; Issuing electronic payment cards in connection with bonus and reward schemes; Bank card, credit card, debit card and electronic payment card services; Brokerage of credit agreements.

ANNEX 2

Class 12

Vehicles; Automotive parts and accessories.

Class 35

Advertising; Services for the promotion and retailing of goods via computer networks being the internet, namely retailing of automobiles and retailing of automobile goods; Promotion and retailing relating to automobiles.

Class 37

Automotive maintenance and repair services.