

BL O/0535/23

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF APPLICATION NOS. UK00003641718 AND UK00003656205

BY HONBIKE (HONG KONG) INTELLIGENT TECHNOLOGY LIMITED

TO REGISTER THE TRADE MARKS:

Honbike

IN CLASSES 9 AND 12

AND

HONBIKE

IN CLASSES 9 AND 12

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NOS. 427577 AND 430362

BY PON BICYCLE HOLDING B.V.

BACKGROUND AND PLEADINGS

1. On 14 May 2021, Honbike (Hong Kong) Intelligent Technology Limited (“the applicant”) applied to register the **Honbike** mark (“**718 Mark**”) shown on the cover page of this decision in the UK. The application was published for opposition purposes on the 16 July 2021. The applicant seeks registration for the following goods:

Class 9 Batteries, electric; Battery chargers; Humanoid robots with artificial intelligence; Protective helmets; Wearable activity trackers; Wearable video display monitors; Computer software applications, downloadable; Wearable computers; Quantity indicators; Electronic numeric displays.

Class 12 Bicycles; Baskets adapted for bicycles; Electric bicycles; Self-balancing scooters; Electric vehicles; Water bottle holders for bicycles; Electric motor cycles; Electrically powered scooters [vehicles]; Bicycle saddles.

2. On 16 June 2021, the applicant also applied to register the **HONBIKE** mark (“**205 Mark**”) shown on the cover page of this decision in the UK. The application was published for opposition purposes on the 22 October 2021. The applicant seeks registration for the following goods:

Class 9 Batteries, electric; Battery chargers; Protective helmets; Computer software applications, downloadable; Battery boxes.

Class 12 Bicycles; Baskets adapted for bicycles; Electric bicycles; Electrically-powered motor scooters; Bicycle saddles.

3. The applications were partially opposed by Pon Bicycle Holding B.V. (“the opponent”) on 18 October 2021 and 20 January 2022. The opposition was originally based upon sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). However, the opponent withdrew the section 5(3) ground in writing on 8 July 2022.¹

¹ I note that this was within a document dated ‘evidence and submissions’, however, as confirmed by the official letter from the Tribunal dated 16 August 2022, the evidence and submissions could not be admitted into the proceedings, but acknowledged that the 5(3) ground was withdrawn.

4. Under section 5(2)(b), the opponent relies on the following trade mark:

PON.BIKE

Comparable trade mark (IR) registration no. UK00801364376

Filing date 22 August 2016; Registration date 9 February 2018.

Priority date 13 May 2016 (from Benelux Office).

Relying upon some of the goods for which the mark is registered, namely:

Class 12 Vehicles; motorized bicycles and scooters; bicycles and their parts; children' s bicycles and their parts; balance bikes, children' s run bikes, bike trailers, carts and carts (ie transport); bicycles, accessories and parts were the aforementioned, including bicycle baskets, panniers, luggage carriers, bells, tires, inner tubes, headsets fittings, brakes, bells, bracket fittings, duozitjes, frames, handles, dress guards, chains, sprockets, cranks, chain guards, crown pieces, lantern hooks, cams, hubs, gears, brake hubs, pedals, pedal rubbers, pumps, stands, mudguards, handlebars, rims, spokes, forks, free wheels, seatposts, saddles; holders for bottles.

5. As shown above, the opposition is based upon the opponent's comparable trade mark (IR),² claiming that there is a likelihood of confusion because the marks and the goods are "strongly" similar.

6. The applicant filed a counterstatement in both proceedings denying the claims made.

7. On 11 May 2022, the Tribunal wrote to the parties informing them of the consolidation of the opposition action no. 427577 and opposition action no. 430362.

² Following the end of the transition period of the UK's withdrawal from the EU, all international (EU) trade mark designations registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A 'comparable trade mark (IR)' retains the same designation date (filing date), priority date (if applicable) and registration date of the international (EU) trade mark designation.

8. The opponent is represented by Novagraaf UK, and the applicant is represented by Wilson Gunn. Neither party requested a hearing, however, both parties filed evidence in chief, the opponent filed evidence in reply, and the applicant filed submissions in lieu of a hearing. I make this decision having taken full account of all the papers, referring to them as necessary.

RELEVANCE OF EU LAW

9. 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 on 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.

EVIDENCE

10. The opponent's evidence consists of the first witness statement of Luke David Portnow dated 18 August 2022. Mr Portnow is a Chartered Trade Mark Attorney at Novagraaf UK, the representatives of the opponent. Mr Portnow's statement was accompanied by 2 exhibits (LDP1-LDP2).

11. The applicant's evidence consists of the witness statement of Terry Roy Rundle dated 21 September 2022. Mr Rundle is a Chartered Trade Mark Attorney at Wilson Gunn, the representatives of the applicant. Mr Rundle's statement was accompanied by 3 exhibits (TRR01-TRR03).

12. The opponent's evidence in reply consists of the second witness statement of Luke David Portnow dated 21 November 2022. Mr Portnow's statement was accompanied by 3 exhibits (LDP3-LDP5).

13. Whilst I do not propose to summarise it here, I have taken all of the evidence and the parties' submissions into consideration in reaching my decision and will refer to it where necessary below.

DECISION

14. Section 5(2) reads as follows:

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

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

(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.”

15. The earlier mark has completed its registration process more than five years before the relevant date (the filing date) of the **718 Mark**. Accordingly, the use provisions at s.6A of the Act do apply. However, as the applicant did not request that the opponent prove use of its mark, it is entitled to rely upon all of the goods without demonstrating that it has used the mark.

16. The earlier mark had not completed its registration process more than five years before the relevant date of the **205 Mark**. Accordingly, the use provisions at s.6A of the Act do not apply. The opponent may rely on all of the goods it has identified without demonstrating that it has used the mark.

Section 5(2)(b) case law

17. 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

18. As highlighted above, the applicant's marks were partially opposed. Therefore, the competing goods are as follows:

Opponent's goods	Applicant's goods
<p><u>Class 12</u> Vehicles; motorized bicycles and scooters; bicycles and their parts; children' s bicycles and their parts; balance bikes, children' s run bikes, bike trailers, carts and carts (ie transport); bicycles, accessories and parts were the aforementioned, including bicycle baskets, panniers, luggage carriers, bells, tires, inner tubes, headsets fittings, brakes, bells, bracket fittings, duozitjes, frames, handles, dress guards, chains, sprockets, cranks, chain guards, crown</p>	<p><u>718 Mark</u> <u>Class 9</u> Protective helmets; Wearable activity trackers; Wearable video display monitors; Wearable computers; Quantity indicators; Electronic numeric displays. <u>Class 12</u> Bicycles; Baskets adapted for bicycles; Electric bicycles; Self-balancing scooters; Electric vehicles; Water bottle holders for bicycles; Electric motor</p>

<p>pieces, lantern hooks, cams, hubs, gears, brake hubs, pedals, pedal rubbers, pumps, stands, mudguards, handlebars, rims, spokes, forks, free wheels, seatposts, saddles; holders for bottles.</p>	<p>cycles; Electrically powered scooters [vehicles]; Bicycle saddles.</p> <p><u>205 Mark</u></p> <p><u>Class 9</u></p> <p>Protective helmets.</p> <p><u>Class 12</u></p> <p>Bicycles; Baskets adapted for bicycles; Electric bicycles; Electrically-powered motor scooters; Bicycle saddles.</p>
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19. When making the comparison, all relevant factors relating to the goods and 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.”

20. Guidance on this issue has 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

21. 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 für Lemsysteme 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.”

22. 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.”

23. 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that “complementary” means:

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

24. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. chicken against transport services for chickens. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. (as he then was) noted, as the Appointed Person, in *Sandra Amalia Mary Elliot v LRC Holdings Limited*, BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense – but it does not follow that wine and glassware are similar goods for trade mark purposes.” Whilst on the other hand: “... it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

Whilst on the other hand:

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

Honbike 718 Mark

Class 9

Protective helmets.

25. I consider that the applicant's above goods would cover a variety of helmets, including those that are worn and used for cycling. Therefore I consider that these goods will overlap with the opponent's "bicycles and their parts". I note that the opponent has provided evidence, exhibited in **LDP1** and **LDP2**, dated 11 July 2022, showing that a company called "Brompton Bikes" sells both bikes and helmets. Albeit this is dated after the relevant date (the filing date of the applicant's marks in issue), I consider that this correlates with my own personal knowledge and experience, that the same undertaking would produce and sell both bicycles and its accessories, including helmets. I also consider that there would be an overlap in distribution channels and user, with cycling stores selling bikes and helmets in close proximity. However, the goods do not overlap in nature, purpose or method of use. The goods are neither in competition nor complementary. I therefore consider that the goods are similar to between a low and medium degree.

Quantity indicators; Electronic numeric displays.

26. As set out in *Les Éditions Albert René v OHIM*,³ it is clear that just because a particular good is used as a part, element or component of another, it should not result in a finding of identity/similarity between those goods. However, it does not mean that there can never be similarity between such goods where there is overlap in the factors identified in *Treat*.

³ Case T-336/03

27. I note that the opponent's "vehicles" will have quality indicators and electronic numeric displays, however, I do not consider that the goods overlap in nature, method of use or purpose. I also do not consider that the goods would overlap in trade channels, as the undertakings which would produce the opponent's goods, (a variety of vehicle manufacturers), would most likely purchase the applicant's specialist goods, so that they can be installed when making the vehicles. The goods are neither in competition nor complementary. Taking the above into account, I consider that the goods are dissimilar.

Wearable activity trackers; Wearable video display monitors; Wearable computers.

28. I consider that the above goods are dissimilar to all of the opponent's class 12 goods. The applicant's goods are technology worn by the user, which will keep track of their activity, their heart rate and pace etc. The applicant's goods would be sold by undertakings which specialise in wearable technology, and the opponent's goods would be sold by undertakings which sell vehicles and their accessories. The goods do not overlap in nature, method of use or purpose. They are neither in competition nor complementary. I note that the user may wear the applicant's goods whilst riding the opponent's bicycles or scooters, however, this is not enough on its own to establish any similarity between them. The goods are dissimilar.

Class 12

29. In its submissions in lieu, the applicant admits that all of its class 12 goods are identical to the opponent's goods.

HONBIKE 205 Mark

Class 9

Protective helmets.

30. As highlighted in paragraph 25 above, I consider that the applicant's goods are similar to opponent's "bicycles and their parts" to between a low and medium degree.

Class 12

31. In its submissions in lieu, the applicant admits that all of its class 12 goods are identical to the opponent's goods.

32. It is a prerequisite of section 5(2)(b) that the goods be identical or at least similar. The opposition will, therefore, fail in respect of the above goods that I have found to be dissimilar.⁴

33. The opposition under section 5(2)(b) fails for the following goods:

Honbike 718 Mark

Class 9 Wearable activity trackers; Wearable video display monitors; Wearable computers; Quantity indicators; Electronic numeric displays.

The average consumer and the nature of the purchasing act

34. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which the goods 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.”

⁴ eSure Insurance v Direct Line Insurance, [2008] ETMR 77 CA

35. The average consumer for the goods will be members of the general public. I find that vehicles and electric vehicles broadly, as well as electric bicycles, electric scooters, electric motorcycles and bicycles, are likely to be infrequent and expensive purchases that require additional care and attention. The average consumer will take various factors into consideration such as the safety, cost, durability, and suitability of the vehicle for the user's needs. Consequently, I consider that a between a medium and high degree of attention will be paid by the average consumer when selecting the goods. I also consider that the same degree of attention will be paid for protective helmets, which also concerns the safety of the user.

36. I also note that the above goods may also be purchased by professionals, whether they be running a business by leasing these goods or otherwise, and I find the degree of attention paid by professionals will be high due to the increased responsibility and liability of making a correct purchase. I also note that for "water bottle holders for bicycles" and "bicycle saddles", that albeit these goods do not concern the users safety, that these goods have to be compatible with the users exciting bike. Therefore, it is still a considered purchase to which the user would pay above a medium degree of attention.

37. The goods are likely to be obtained by self-selection from the racks of a cyclist shop, car dealership or other vehicle establishments and their online equivalents. Alternatively, the goods may be purchased following perusal of advertisements or inspection of a catalogue. Visual considerations are therefore likely to dominate the selection process. However, I do not discount that there may also be an aural component to the purchase through advice sought from sales assistants or word of-mouth recommendations.

Comparison of the trade marks

38. 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.”

39. 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.

40. The respective trade marks are shown below:

Opponent's trade mark	Applicant's trade marks
<p data-bbox="264 1447 724 1525">PON.BIKE</p>	<p data-bbox="911 1323 1286 1402">Honbike</p> <p data-bbox="1002 1451 1193 1485">("718 Mark")</p> <p data-bbox="858 1576 1342 1632">HONBIKE</p> <p data-bbox="1002 1671 1193 1704">("205 Mark")</p>

Overall Impression

41. The opponent's mark consists of 2 words, PON and BIKE, separated by a full stop. I consider that the word BIKE is of lower distinctiveness, and/or descriptive, due to the

goods for which the mark is registered. However, I bear in mind that in the recent appeal decision by Philip Harris, sitting as the Appointed Person, in *Purity Wellness Group Ltd v Stockroom (Kent) Ltd*, Case BL-O/115/22, it was determined that “descriptiveness does not of itself render an element negligible or aurally invisible”. Consequently, while not negligible in the overall impression, it will be accorded less attention than the word PON.

42. The applicant’s 718 mark consists of the word “Honbike”. There are no other elements to contribute to the overall impression which lies in the word itself.

43. The applicant’s 205 mark consists of the word “HONBIKE” presented in a stylised font. I consider that the word “HONBIKE” plays a greater role in the overall impression of the mark, with the stylisation playing a lesser role.

Visual Comparison

The opponent’s mark and the 718 Mark

44. Visually, the marks overlap in the second to seventh letters, presented in the same order; O, N, B, I, K and E. However, the opponent’s mark begins with the letter P and the applicant’s mark begins with the letter H. Furthermore, the words PON and BIKE in the opponent’s mark are separated by a full stop. I bear in mind that the consumer tends to pay more attention to the beginning of marks, and I consider that the full stop does have a significant visual impact, because it creates a clear and distinct break between the words PON and BIKE. Therefore, taking all of the above into account, I consider that the marks are visually similar to a medium degree.

The opponent’s mark and the 205 Mark

45. The same comparison applies in paragraph 44 above, however, I note that the 205 mark is presented in a stylised typeface. As noted above, the stylisation plays a lesser role in the overall impression, and therefore I consider that the marks are visually similar to a medium.

Aural Comparison

The opponent's mark and the 718 Mark

46. Aurally, the opponent's mark will be pronounced as PON--BIKE. I do not consider that the full stop will be articulated, it just notifies the user that there is a clear break in between the words PON and BIKE. The 718 mark will be pronounced as HON-BIKE. Therefore, as the marks overlap in the "ON" pronunciation of the first syllable, and overlap in the pronunciation of the second syllable, I consider that the marks are aurally similar to a high degree.

The opponent's mark and the 205 Mark

47. The same comparison applies in paragraph 46 above. The marks are aurally similar to a high degree.

Conceptual Comparison

The opponent's mark and the 718 Mark

48. The applicant submits that conceptually the respective marks are invented words, with the earlier mark being perceived "by the average consumer as a domain name of the opponent". I note that this submission is supported by **exhibit TRR-01** which contains printouts from the website 123-reg.co.uk dated 14 September 2022. It lists that ".BIKE" is a generic top level domain. **Exhibit TRR-02** contains a print out from WHOIS, also dated 14 September 2022, which shows that Pon.bike is a registered domain. This is also supported by **exhibit TRR-03** which shows printouts of the opponent's website (<https://pon.bike>) dated 14 September 2022.

49. The evidence is dated after the relevant period, and therefore, albeit the above confirms that the ".BIKE" element is being used as a domain, there is nothing to suggest that the average consumer would know and recognise ".BIKE" as being a domain name before or after this date.

50. I consider that the average consumer will see “PON” an invented word, with no conceptual meaning. The word “BIKE” will be assigned its ordinary dictionary meaning. The full stop will not be assigned any conceptual meaning.

51. The word “HONBIKE”, as a whole, will be seen as an invented word. However, because of the nature of the goods, I consider that the average consumer would recognise the word BIKE at the end of the word.

52. The opponent in its Notice of Opposition (Form TM7) submits that the bike element in “both trade marks is of lower distinctiveness given the goods covered by the application and registration. The dominant and distinctive elements are therefore the first part of both marks”. The applicant in its submissions in lieu also submits that “the common denominator is the word BIKE which is descriptive and/or non-distinctive of the respective goods, whilst the dominant and distinctive components of the respective marks are ‘PON’ and ‘Hon’”. I agree that for some of the goods, the word BIKE is descriptive, and for the remaining goods, the word is of lower distinctiveness.

53. Regardless, as the marks both share the BIKE concept, with neither the word PON, nor the HON element at the beginning of the applicant’s mark bringing any concept to the consumers mind, I consider that they are conceptually similar to a medium degree.

The opponent’s mark and the 205 Mark

54. The same comparison applies in paragraphs 48 to 53 above. The marks are conceptually similar to a medium degree.

Distinctive character of the earlier trade mark

55. 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 C108/97 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 promotion of 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).”

56. 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 goods, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

57. I note that the opponent has filed evidence in chief, and evidence in reply, in these proceedings. Its evidence in chief is in regard to “Brompton Bikes”, establishing an overlap in trade channels for bikes and helmet goods. Its evidence in reply is in relation to the UKIPO’s Manual of trade marks practice, and two decisions by Hearing Officers, all in regard to domain names. Therefore, this evidence is not in relation to, nor can it be used, in relation to assessing enhanced distinctiveness of the opponent’s mark.

58. As highlighted above, the opponent’s mark consists of two words, PON and BIKE, separated by a full stop, which creates a clear and distinct break between the words. The word PON is an invented word with no dictionary meaning, and the word BIKE is an ordinary dictionary word, which as submitted by the opponent is “lower in

distinctiveness". Therefore, the dominant and distinctive element within the opponent's mark is the word PON.

59. I also note that for some of the goods, the word BIKE is descriptive. Therefore, as a whole, I consider that the opponent's mark is inherently distinctive to between a medium and high degree.

Likelihood of confusion

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 down to the responsible undertakings 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 goods and vice versa. It is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the goods 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.

61. The following factors must be considered to determine if a likelihood of confusion can be established:

- I have found all of the marks to be visually similar to a medium degree.
- I have found all of the marks to be aurally similar to a high degree.
- I have found all of the marks to be conceptually similar to a medium degree.
- I have found the opponent's mark to be inherently distinctive to between a medium and high degree.

- I have identified the average consumer for the goods to be members of the general public who will select the goods primarily by visual means, although I do not discount an aural component.
- I have concluded that a high, between a medium and high degree, or above a medium degree of attention will be paid during the purchasing process.
- I have found the parties' goods to be identical to similar to between a low and medium degree.

62. I note that as the only difference between the applicant's 718 and 205 marks is that the 205 mark is presented in a stylised typeface, I will not undertake a separate assessment of likelihood of confusion. I will deal with them as a collective.

63. As highlighted above, the average consumer for the goods will be paying a high degree, between a medium and high degree, or above a medium degree of attention during the purchasing process. Consequently, the average consumer is less prone to the effects of imperfect recollection. I am therefore satisfied that the marks are unlikely to be mistakenly recalled or misremembered as each other. The visual differences between the marks lies in the difference of the beginning letter, (P vs H). As established above, the beginning of marks tend to make more of an impact than the ends. The full stop also creates a clear and distinct break between the words PON and BIKE in the opponent's mark, whereas the applicant's marks, as a whole, is an invented word (HONBIKE), with the word bike at the end of the mark being recognised by the average consumer, due to the nature of the applicant's goods. Therefore, a significant overlap and common element between the marks (4 letters out of 6) is the word BIKE, which as admitted by the opponent, is "lower in distinctiveness given the goods covered by the application and registration". For some of the goods, the word BIKE is also descriptive. The overlap in the word BIKE also appears at the end of the marks. Consequently, taking all of the above into account, I do not consider there to be a likelihood of direct confusion.

64. It now falls to me to consider the likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis Q.C. (as he then was), sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“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.”

65. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor Q.C. (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

66. I consider that having noticed that the competing trade marks are different, I see no reason why the average consumer would assume that they came from the same or economically linked undertakings. I do not consider that the average consumer would think that the applicant’s trade mark was connected with the opponent and vice versa on the basis that they both contain the word BIKE. It is more likely to be viewed as a coincidence as the word BIKE is either descriptive, or “lower in distinctiveness given the goods covered by the application and registration”. Furthermore, the average consumer does not dissect the mark. Therefore, the average consumer will see the applicant’s mark as one invented word; HONBIKE, and the opponent’s mark as PON.BIKE. They are clearly not natural variants or logical brand extensions of each other. Consequently, taking all of the above into account, I consider there is no likelihood of indirect confusion.

CONCLUSION

67. The opposition is unsuccessful, and the application may proceed to registration.

COSTS

68. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£1,250** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Considering both Notices of opposition and preparing a Counterstatement	£400
Preparing and filing evidence	£500
Preparing and filling submissions in lieu	£350
Total	£1,250

69. I therefore order Pon Bicycle Holding B.V. to pay Honbike (Hong Kong) Intelligent Technology Limited the sum of £1,250. This sum is to 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 9th day of June 2023

L FAYTER

For the Registrar