

TRADE MARKS ACT 1994

**IN THE MATTER OF International registration No 1008893
for the mark COMOBAR by Comobar 2000 Inc.**

**AND IN THE MATTER OF Opposition No. 72072
by Société des Produits Nestlé SA**

**APPEAL of the Applicant from the decision of
Mr C J Bowen dated 14 March 2011**

DECISION

1. This is an appeal against a decision of Mr C J Bowen, the Hearing Officer for the Registrar, dated 18 March 2011, in which he rejected an opposition to the registration of the mark COMOBAR by Comobar 2000 Inc (“Comobar”) The opponent was Société des Produits Nestlé SA (“Nestlé”), owner of the earlier mark KOMO.

Background

2. On 17 June 2009, Comobar requested the protection in the UK of the international registration of the mark COMOBAR for “espresso and cappuccino makers for domestic and commercial use” in Class 11. Nestlé opposed the application in its entirety pursuant to sections 5(2)(b) and 5(4)(a), but the latter ground was dropped before the matter proceeded to a decision. The 5(2)(b) grounds were based upon Nestlé’s earlier Community trade mark: KOMO, registered for goods in classes 7, 9, 11, 30 and 32. The goods in Class 11 were particularly pertinent as they were “electric coffee machines, associated refillable elements, cartridges and spare parts therefor, coffee filters, electric; coffee percolators, electric.” Both parties filed evidence and written submissions, and Mr Bowen was asked to make a decision on the papers.

3. Mr Bowen summarised the evidence and the test he had to apply under section 5(2)(b). He considered the question of the identity of the average consumer of Comobar's goods, in the light of the evidence, concluding that purchasers of commercial electric coffee machines would pay a high level of attention when selecting a machine, and domestic customers would pay a reasonably high level of attention.

4. Mr Bowen found that the goods in Class 11 covered by Nestlé's earlier mark were identical to the goods for which Comobar sought registration. He then made a comparison of the marks, that being the central issue on which this appeal turns, and summarised his views of the factors relevant to the likelihood of confusion at paragraphs 47 to 48 of his decision:

“47. In determining whether there is a likelihood of confusion, I need to bear a number of factors 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 also necessary for me consider the distinctive character of Nestlé's trade mark, as the more distinctive this trade mark is the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he/she has retained in his/her mind.

48. I have concluded: (i) the respective goods are identical, (ii) that as neither trade mark has a distinctive or dominant element the competing trade marks share a low degree of visual similarity, a reasonable degree of aural similarity and are neither conceptually similar nor dissonant, and (iii) that Nestlé's KOMO trade mark is possessed of a high degree of inherent distinctive character. Based on those conclusions I must now decide if there is a likelihood of either direct confusion (where the average consumer mistakes one trade mark for the other) or indirect confusion (where the similarities would lead the average consumer to assume that the parties were

economically linked). I have no doubt that the differences in the competing trade marks are more than sufficient to avoid any direct confusion. Insofar as indirect confusion is concerned, I am satisfied that the nature of both the average consumer and the manner in which the goods at issue are likely to be selected, are more than sufficient to offset the potential for indirect confusion resulting from the visual and aural similarities present in the first two syllables of each trade mark, and the opposition under section 5(2)(b) of the Act is dismissed accordingly.”

Standard of appeal

5. The standard of review for this appeal is helpfully set out at paragraphs 5-6 of the decision of Daniel Alexander QC in *Digipos Store Solutions Group Limited v. Digi International Inc* [2008] RPC 24:

"5... It is clear from *Reef Trade Mark* [2003] RPC 5 ("*Reef*") and *BUD Trade Mark* [2003] RPC 25 ("*BUD*") that neither surprise at a Hearing Officer's conclusion nor a belief that he has reached the wrong decision suffice to justify interference by this court. Before that is warranted, it is necessary for this court to be satisfied that there is a distinct and material error of principle in the decision in question or that the Hearing Officer was clearly wrong (*Reef*). As Robert Walker LJ (as he then was) said:

"...an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance to interfere in the absence of a distinct and material error of principle" (*Reef*, para. 28)

6. This was reinforced in *BUD*, where the Court of Appeal made it clear that it preferred the approach of the appellate judge but nonetheless held that there was no error of principle justifying departure from the Hearing Officer's decision. As Lord Hoffmann said in *Biogen v. Medeva* [1997] RPC 1 at 45, appellate review of nuanced assessments requires an appellate court to be very cautious in differing from a judge's evaluation. In the context of appeals from the Registrar relating to section 5(2)(b) of the Act, alleged errors that consist of wrongly assessing similarities between marks, attributing too much

or too little discernment to the average consumer or giving too much or too little weight to certain factors in the multi-factorial global assessment are not errors of principle warranting interference.”

The decision with regard to each of the issues in this case involved a multi-factorial assessment of the kind mentioned above.

The grounds of appeal

6. A number of different issues were raised by the Grounds of Appeal. Grounds 1-4 and 5(f) essentially related to the same point: Nestlé complained that the Hearing Officer had failed properly to identify the distinctive and dominant elements of the Comobar mark, leading him to make a flawed assessment of the likelihood of confusion between the parties’ marks. Nestlé relied in particular upon a decision of the General Court in Case T-356/02, *Vitakraft-Werke v OHIM*, 6 October 2004.
7. The guidance of the CJEU cited by the Hearing Officer shows that the average consumer normally perceives a mark as a whole and the visual, aural and conceptual similarities between marks must be assessed by reference to the overall impressions which they create. However, those overall impressions may be dominated by the “distinctive and dominant” components of each mark. The possibility that there may be some tension between the need to assess the overall impression of a mark, and to identify its “distinctive and dominant” components was addressed by the CJEU in *Limoncello*, Case C-334/05 P *OHIM v Shaker* [2007] ECR I-4529, and in Case C-498/07 P, *Aceites del Sur-Coosur SA v Koipe Corporación SL*:

“60 According to further settled case-law, the global assessment of the likelihood of confusion, in relation to the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components (see *OHIM v Shaker*, paragraph 35 and the case-law cited).

61 In particular, the Court has held that in the context of examination of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing

it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole (see order in *Matratzen Concord v OHIM*, paragraph 32; *Medion*, paragraph 29; and *OHIM v Shaker*, paragraph 41).

62 In that regard, the Court has also held that, according to established case-law, the overall impression created in the mind of the relevant public by a complex trade mark may, in certain circumstances, be dominated by one or more of its components. However, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element (*OHIM v Shaker*, paragraphs 41 and 42, and Case C-193/06 P *Nestlé v OHIM* [2007] ECR I-114, paragraphs 42 and 43 and the case-law cited).”

8. As I have said, Nestlé relied on the *Vitakraft-Werke* case. The Hearing Officer said:

“30. ... In their written submissions Nestlé have drawn my attention to the following comments of the General Court in *Vitakraft-Werke Wührmann & Sohn GmbH & Co. KG v ... OHIM* (Case T-356/02):

“51. The requested sign consists, for a Spanish-speaking consumer, of a word composed of two elements, the first of which is the term ‘vita’ and the second the term ‘kraft’. The Board of Appeal rightly held that a consumer, perceiving a verbal sign, will break it down into elements which, for him, suggest a concrete meaning or which resemble words known to him. Thus the term ‘vita’ will be perceived, by a Spanish-speaking consumer, as alluding to words such as ‘vitality’ or ‘vital’ (‘vitalidad’ or ‘vital’ in Spanish). However, although the term ‘kraft’ means ‘strength’ in certain languages, including German, it has no concrete meaning in the Spanish language.”

31. In their written submissions dated 4 January 2011 Nestlé say:

“11. In applying the same considerations to [the trade mark] COMOBAR, we submit that the average English speaking consumer would divide the mark into the elements COMO and BAR on account

of BAR being a word which holds a concrete meaning and is known to the said consumer.”

And:

“14. For example, BAR could be perceived by the average consumer as being an indication of [Comobar’s] goods being offered through a bar-like establishment. In addition or in the alternative, BAR would be understood by the average consumer of [Comobar’s] goods as being a reference to pressure, a feature which has an important bearing on the quality of coffee.

15. In view of the descriptiveness and/or non-distinctive nature of the word BAR, the more distinctive and dominant element of [Comobar’s] trade mark is, we submit, COMO.

...

17. ...we submit that the BAR element of [Comobar’s] trade mark does in fact refer to a characteristic of the goods. COMO on the other hand, is inherently distinctive of the goods...”

...

34. Comobar’s trade mark is presented in upper case; no part of it is emphasised or accentuated in any way. It is well established, of course, that the average consumer perceives trade marks as wholes and does not pause to analyse their details. In those circumstances it is doubtful, in my view, that the average consumer would immediately identify the word BAR as an element within the integrated whole. However, if as Nestlé argue the average consumer does notice this element within the COMOBAR trade mark and then go on and ascribe it one of the two descriptive meanings for which Nestlé argue, is it correct to say that the average consumer would then, in effect, disregard the BAR element of Comobar’s trade mark and focus on the letters COMO? In their written submissions of 4 January 2011 Comobar say: “...it was submitted that manufacturers of coffee machines simply do not operate coffee shop services. As a result, there is no support for [Nestlé’s] arguments that the word would be recognised as descriptive of [Comobar’s] goods being offered through a bar-like establishment. Equally, when one

reviews [the machines shown in exhibit REP1] none uses the word BAR as part of its trade mark. Furthermore, the word BAR does not appear as part of any secondary or model name applied to these goods. There is, therefore, no support for [Nestlé's] assertions regarding the alleged descriptiveness of the letters BAR."

...

36. The first arm of Nestlé's argument is that the average consumer would construe the word BAR appearing in the trade mark COMOBAR as an indication that the goods at issue were being offered through a bar-like establishment. In support, Nestlé have provided evidence relating to the meaning of the word BAR in the context of an establishment where goods are sold, together with evidence that the average consumer would be familiar with the word being used in that context. While I accept that the term "coffee bar" is well known, as Comobar point out there is no evidence that manufacturers of electric coffee machines also provide coffee shop services, and no evidence that electric coffee machines are sold through bar like establishments. As a consequence it is unlikely, in my view, that an average consumer noticing the word BAR as an element of Comobar's trade mark, would ascribe it this meaning.

37. The second arm of Nestlé's argument is that the average consumer who notices the word BAR as an element of Comobar's trade mark would, given its meaning as a unit of pressure, consider it to be descriptive in relation to electric coffee machines; I accept that Nestlé's evidence establishes that the word BAR relates to a unit of pressure and that water pressure is an important factor in determining the quality of espresso coffee. However, even if the average consumer does notice the word BAR as part of Comobar's trade mark, and does recognise it as a unit of pressure and consequently meaningful in relation to electric coffee machines, given the manner in which Comobar's trade mark is presented, this falls some way short of allowing me to conclude that the BAR element of Comobar's trade mark would simply be disregarded by the average consumer leaving the letters COMO as the distinctive and dominant element.

38. In summary, I have concluded that neither of the competing trade marks has a distinctive or dominant element, the distinctiveness of both trade marks lies in their totalities; I will approach the visual, aural and conceptual comparison with that conclusion in mind.”

9. The Hearing Officer’s reference in paragraph 37 of his decision to the consumer “disregarding” the “bar” part of Comobar’s mark was, it seems, prompted by Comobar’s written submissions of July 2010, which said:

“.. the word Bar has no descriptive meaning in relation to coffee machines. It is therefore artificial and incorrect for the Opponent to argue that the letters BAR should simply be disregarded in an assessment of the similarity between the marks.”

10. On the appeal, Nestlé submitted that the reference to “disregarding” the “bar” element of the Comobar mark in paragraphs 34 and 37 of the decision indicated that the Hearing Officer had misdirected himself as to the test to be applied as to non-distinctive parts of marks. Certainly, it is right to say that none of the authorities mentioned by the Hearing Officer (so far as I am aware) refers in terms to “disregarding” any part of any mark when assessing the likelihood that it may be confused with another mark. The main question for me was, in essence, whether the Hearing Officer had carried out an appropriate assessment both of the distinctive and dominant elements of the marks and of the similarity between them, but had expressed his views in terms which were unusual, or whether he had applied the wrong test.

11. In my judgment the Hearing Officer did not misdirect himself in paragraphs 34, 36 and 37 of his decision, when he considered how the “bar” element of the Comobar mark might appear to the average consumer for the purpose of assessing the distinctive and dominant element(s) of the marks. Although Nestlé had argued (as it did on the appeal) that the average consumer would “divide the mark” between the two elements, Mr Bowen rejected that submission. He doubted whether the average consumer would “immediately identify the word BAR as an element within the

integrated whole” and concluded that the consumer would be unlikely to ascribe any descriptive meaning to the word. Thus, the reasoning of the General Court in *Vitakraft* would not apply to the Comobar mark, because the mark would *not* be broken down into separate elements in the view of the average consumer. That finding seems to me to be an assessment of fact (as to the probable impact of the mark on the average consumer) which it was open to the Hearing Officer to make, and which I should not set aside on appeal.

12. The main issue on the appeal was whether the Hearing Officer carried out an appropriate comparison of the similarities between the marks. The question of whether any part of a mark should be “disregarded” in identifying its dominant elements and assessing its similarity to another mark seems to me to be another way of saying, in line with the CJEU guidance cited above, that it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element. Nestlé’s submissions to the Hearing Officer did not simply suggest that the “Como” part of the mark was the dominant and distinctive element of it, to which the consumer would pay greater attention, but compared Komo to the “Como” part of the Comobar mark alone, visually, aurally and conceptually. Nestlé concluded that taking account of the "phonetic identity and visual similarity of KOMO and ‘COMO’ and taking account of the descriptive and/or non-distinctive nature of the word ‘BAR’ ... KOMO and COMOBAR are visually and phonetically similar marks." The Hearing Officer, however, clearly considered that he should compare the marks as a whole, for the reason given above, and carried out his comparison on that basis. It seems to me clear from paragraph 37 of his decision that his view was that even if the consumer did recognise the word ‘bar’ as part of the mark and recognised its descriptiveness in relation to electric coffee machines, he did not think he should treat it as a negligible part of the mark. In the circumstances, he did not consider that the assessment of the similarity between the parties’ marks should be carried out solely on the basis that ‘Como’ was the dominant element. As a result, he found the marks phonetically reasonably similar, but visually similar only to a low degree.

13. I should add that Nestlé referred me to some decisions of the Opposition Division of OHIM in which (respectively) an application to register the mark 'Como' had been successfully opposed by the owner of an earlier mark 'Komo' (a mark unrelated to Nestlé), and applications to register 'Comobar' and 'ComoCup' had been successfully opposed by Nestlé based on its 'Komo' mark. In each case, sufficient similarity between the marks was found for a likelihood of confusion to arise. However, the first decision seems to me to be irrelevant, because the marks to be compared were Komo/Como. In my judgment, the two latter decisions too fail to show that in exercising my appellate jurisdiction, I must find that the Hearing Officer in this case erred, simply because he reached a different conclusion to the members of the Opposition Division. Questions of the similarities between marks are matters on which reasonable hearing officers may disagree, even when applying the appropriate tests.
14. In my judgment, the Hearing Officer did not adopt an incorrect approach, nor did his reference to "disregarding" part of the mark indicate that his analysis was flawed in any material way. In the circumstances, it does not seem to me that his conclusions may be overturned on this appeal.
15. Nestlé's next complaint was that, having found only a low level of similarity between the marks on a visual basis, the Hearing Officer gave undue weight to that factor in assessing the likelihood of confusion, because he wrongly concluded in paragraph 24 of his decision that the evidence showed that the goods in question would be likely to be selected by the average consumer as a visual act, made on the basis of self-selection, whether in a retail setting, from a catalogue or online. The Hearing Officer said that he came to this conclusion on the basis of the evidence which had been filed on both parties' behalf of extracts from various websites, although he also referred to the decision of the Appointed Person in *REACT trade mark* [2000] R.P.C. 285, a decision which emphasised the importance of visual similarities in the case of items like clothing in which the initial selection of the goods would be made by eye.

16. Nestlé submitted on the appeal that the evidence did not establish that the goods would be sold by self-selection; on the contrary, as rather expensive goods they would be likely to be sold with advice from a retailer, such that the aural similarity between the marks would be of greater importance. Indeed, Nestlé's skeleton argument on the appeal (which complained that the Hearing Officer was wrong to refer to the decision in *REACT*) submitted that the goods at issue are items which would not be purchased in the context of "casual shopping."
17. I accept that there is some force in the argument that the evidence does not prove clearly that self-selection would be the primary manner of purchasing these goods, but the Hearing Officer had not made the mistake of thinking these goods would be sold only on-line, but specifically contemplated they might be sold in a retail setting.
18. Nestlé's submission as to self-selection was connected to a further point raised on the appeal, which was that the Hearing Officer had taken one of their submissions out of context, leading him to make an error as to the likely level of attention which a customer would pay when selecting an electric coffee machine. Nestlé's submission to the Hearing Officer was:

"consumers who ordinarily utilise espresso and cappuccino makers in the context of a commercial setting would be particularly knowledgeable of a) the descriptive nature of the word 'BAR' for its present machines and b) the established link between pressure and high quality espresso ."

However, at the end of at the end of paragraph 24 of the decision Hearing Officer quoted only the first part of this submission, down to the words "particularly knowledgeable" saying that he did so when considering the nature of the purchasing act.
19. It is not clear to me why the Hearing Officer quoted only part of Nestlé's submission. It seems to me that the Hearing Officer may have misunderstood the point which Nestlé had wished to make in the submission to which he referred, which seems to me clearly to relate to the identity of the average consumer rather than the nature of the purchasing act. However, it is equally unclear to me that he purported to

apply that point in his decision. He had already dealt with the question of the likelihood that the goods would be sold by self-selection. He immediately went on at paragraph 25 to consider the level of attention likely to be paid by a purchaser of an electric coffee machine, and concluded that the purchaser of such a machine for commercial use would pay a high level of attention when selecting it. In making that perfectly reasonable point, he did not refer back to Nestlé's submission. In the circumstances, although I consider that Nestlé is right to think that the Hearing Officer took its submission out of context, which is plainly unfortunate, it does not seem to me that doing so led the Hearing Officer to make any material error. It seems to me that his conclusion that these machines are fairly costly and would be chosen with some care, whether in the commercial or domestic context, is unassailable and is, moreover, consistent with Nestlé's own submissions. Mr Carter submitted that the Hearing Officer predicated too high a level of attention, but it does not seem to me that his views can be said to be materially wrong. This disposes of Ground 6 of the Grounds of Appeal.

20. Ground 5 of the Grounds of Appeal complained that the Hearing Officer had in any event misapplied a number of the authorities in assessing the likelihood of confusion. The complaints were:
- a) The Hearing Officer failed to consider case law (especially Case T-183/02, *El Corte Ingles v OHIM*, [2004] E.T.M.R. 103, and *London Lubricants (1920) Ltd's application* (1925) 42 R.P.C. 264) which held that the attention of consumers is normally drawn to the beginnings of words, so similar beginnings are especially important. It is correct that the Hearing Officer did not refer to such case-law, but in my judgment that does not mean that his assessment of the similarities between the marks, or of the likelihood of confusion, is automatically erroneous. In my view, he carried out a careful assessment of both those matters, and gave due weight to the aural similarity between the marks. I do not consider that a failure to advert expressly to this particular point is a reason to set aside his conclusions.
 - b) The Hearing Officer failed to give due weight to the point that the identity of the parties' goods could help outweigh differences between the marks. This

complaint cannot be sustained in the light of the express references to that factor in paragraphs 47 and 48 of the decision.

- c) The Hearing Officer failed to give due weight to the point that the distinctiveness of the earlier mark could help outweigh differences between the marks. Again, this complaint cannot be sustained in the light of the express references to that factor in paragraphs 47 and 48 of the decision.
- d) Similarly, that the Hearing Officer failed to give due weight to the finding in Case C-342/97, *Lloyd Schuhfabrik*, [1999] E.C.R. I-3819; [1999] E.T.M.R. 690 that aural similarity alone *may* lead to a likelihood of confusion. In my judgment, this complaint too is misplaced. The Hearing Officer carried out a global assessment of the likelihood of confusion, bearing in mind the degree of aural similarity which he had found.
- e) Another suggestion, that the Hearing Officer failed to give due weight to the finding in Case C-120/04, *Medion*, in some non-specified way, was not pursued before me.

21. For all these reasons, the appeal fails. The parties agreed that costs should follow the event and be on the usual scale. I will therefore order the Appellant, Nestlé, to pay Comobar the sum of £1000 in respect of the costs of the appeal, to be paid within 14 days of today, in addition to the sum of £1300 ordered to be paid by the Hearing Officer.

Amanda Michaels
20th October 2011

Mr Dale Carter of Nestlé appeared for the Appellant

Mr Ryan Pixton of Kilburn & Strode appeared for the Respondent