

O-070-14

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2642308  
BY  
DUNCRYNE LTD**

**TO REGISTER THE TRADE MARK**

The logo for 'Economic Board' features the word 'economic' in a lowercase, sans-serif font. The letters 'e', 'c', 'o', and 'n' are colored in a gradient of green, while 'i', 'c', and 'a' are in grey. Below 'economic' is the word 'board' in a smaller, lowercase, grey sans-serif font.

**IN CLASS 19**

**AND**

**THE OPPOSITION THERETO  
UNDER NO 104600  
BY  
EVONIK INDUSTRIES AG**

## BACKGROUND

1. On 15 November 2012, Duncryne Ltd (the applicant) applied to register the above trade mark in class 19 of the Nice Classification system.<sup>1</sup> Following amendment, the specification stands as follows:

Class 19  
Substrate boards for external cladding systems being external sheathing boards.

2. Following publication of the application, on 14 December 2012, Evonik Industries AG (the opponent) filed notice of opposition against the application.

3. The opposition was brought under section 5(2)(b) of the Trade Marks Act 1994 (the Act). The opponent relies upon the mark shown below:

Mark details and relevant dates
<b>IR:</b> 918426
<b>Mark:</b> EVONIK
<b>Priority date:</b> 7 April 2006 (Germany)
<b>International Registration Date:</b> 2 October 2006
<b>Date protection granted in the EU:</b> 4 February 2013

4. The opponent's mark is registered in classes 1, 2, 3, 4, 5, 6, 7, 9, 11, 16, 17, 19, 35, 37, 39, 40, 41 and 42. For reasons which will become clear, it is only necessary to consider the goods in class 19, which are as follows:

Building materials (non-metallic); non-metallic rigid pipes for building; asphalt, pitch and bitumen; non-metallic transportable buildings; scaffolding, not of metal; tiles and paving slabs, not of metal; artificial stones; coatings (building materials); non-metallic pipework; caverns or containers of concrete.

5. On 24 May 2013, the applicant filed a counter statement. It denies the grounds upon which the opposition is based. It states:

*"4. It is admitted that the Opponent's Mark was filed on 2 October 2006 and it is therefore an earlier mark, but no admission is made to relevance/validity and it is denied and challenged that it is confusingly similar to the Applicant's Mark econic board logo."*

6. Only the applicant filed evidence, both parties filed submissions in lieu of a hearing; neither party asked to be heard.

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<sup>1</sup> *International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).*

## EVIDENCE

7. The applicant's evidence consists of a witness statement by David Francis McBeth, the Director of the applicant company. It is dated 26 August 2013 and is accompanied by 4 exhibits. Since the statement does not relate to the substantive issues in the matter before me, there is no need to record its contents here. I will refer to the parties' submissions as necessary below.

## DECISION

8. The opposition is brought under section 5(2)(b) of the Act which 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, or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

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

"6.-(1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

10. The opponent's mark is an earlier mark, which is not subject to proof of use because, at the date of publication of the application, it had not been protected for five years.<sup>2</sup>

### Section 5(2)(b) case law

11. In his decision in *La Chemise Lacoste SA v Baker Street Clothing Ltd* - BL O/330/10 (approved by Arnold J in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2011] FSR 11), the Appointed Person, Mr Geoffrey Hobbs QC, expressed the test under this section (by reference to the Court of Justice of the European Union (CJEU) cases mentioned) on the basis indicated below:

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<sup>2</sup> See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations 2004: SI 2004/946) which came into force on 5th May 2004.

## The CJEU cases

*Sabel BV v Puma AG* [1998] RPC 199; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77; *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723; *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-6/01; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04; *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P.

## The principles

“(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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion.”

### **The average consumer and the nature of the purchasing act**

12. In accordance with the above cited case law, I must determine who the average consumer is and also identify the nature of the purchasing process. The average consumer is reasonably well informed and reasonably circumspect and observant but with a level of attention likely to vary according to the category of goods. The attention paid is likely to vary depending on price and, to some extent, the nature of the goods and the frequency of the purchase.

13. The opponent submits:

*“4.7 The class 19 goods of the later mark include products offered to the general public, as well as to a specialised public.*

*Mr McBeth’s evidence seeks to show that the applicant’s goods “are of a highly technical specification [and] are used in a highly regulated field by sophisticated users”...*

*...the legal issue here is not the actual goods sold by the applicant, and the trade channels for those goods, but the specification of goods of the opposed application.*

*There is in fact nothing in the specification “substrate boards for external cladding systems being external sheathing boards” to suggest that the goods cannot be sold through DIY stores and general builder’s merchants.*

*Such boards sold through DIY stores and general builders’ merchants would be available to the general public and there is no reason to suppose that a higher than average degree of attention would be paid when buying this type of building materials. Substrate boards are not particularly expensive or “high tech”.*

*It is also unrealistic to think that builders, as opposed to the general public, would be paying a particularly high degree of attention when visiting a builders’ merchant.*

*As we have already pointed out, the respective goods are identical. It is clear that the relevant public does include the general public, and that the goods are not expensive, and so a normal level of attentiveness to the marks should be assumed.”*

14. The applicant submits:

*“4. The Applicant’s Goods need to conform to stringent building regulations. The Applicant’s Goods are sold exclusively to sophisticated, qualified professionals who make informed judgements based on technical and specification requirements. The Applicant’s Goods are targeted at engineers, contractors, installers, system manufacturers, building developers, architects and accredited national house builders. The Applicant’s Goods are not found in DIY stores or building merchant stores, and are not available to the general public. The Applicant’s Goods are sold business to business, in high volume. Given the stringent building regulations, the relevant consumer has a duty of care in the selection of the Applicant’s Goods and must assess whether they are fit for purpose and take much time in their purchasing decision. The Applicant’s Goods involve a long and iterative consultation process. Technical considerations such as structural integrity, fire and acoustic properties and validated testing and certification must also be considered, and how the Applicant’s Goods will interact with the other building elements, such as insulation, other boards, render, etc.*

*5. The Applicant’s Goods are undoubtedly sophisticated and a purchaser will dwell over the purchasing decision.*

*6. The relevant consumer of the Applicant’s Goods will be highly specialised, professional and pay the highest degree of attention to their selection.”*

15. In *NHL Enterprises BV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-414/05* the GC stated:

*“71 The Court considers, first, that that assessment by the Board of Appeal is not called in question by the particular conditions in which the applicant’s goods are marketed, since only the objective marketing conditions of the goods in question are to be taken into account when determining the respective importance to be given to visual, phonetic or conceptual aspects of the marks at issue. Since the particular circumstances in which the goods covered by the marks at issue are marketed may vary in time and depending on the wishes of the proprietors of those marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, namely that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions of the trade mark proprietors – whether carried out or not – which are naturally subjective (see, to that effect, *NLSPORT*, *NLJEANS*, *NLACTIVE* and *NLCollection*, cited at paragraph 61 above, paragraph 49, and Case T-147/03 *Devinlec v OHIM – TIME ART (QUANTUM)* [2006] ECR II-11, paragraphs 103 to 105, upheld on appeal by the Court by judgment of 15 March 2007 in Case C-171/06 P *TIME ART v OHIM*, not published in the ECR, paragraph 59).”*

16. In making a finding with regard to the average consumer of the goods at issue, I must consider the specification as registered. The specification is for substrate boards for external cladding. This will include highly specialised boards of the type described by the applicant, but will also include the types of boards identified by the opponent which are

commonly sold in builders' merchants and DIY stores. Accordingly, I conclude that the average consumer may be a member of the general public or a professional such as a building contractor or engineer.

17. I also bear in mind the comments in *Adelphoi Limited v DC Comics (a general partnership)*<sup>3</sup>, when Prof Ruth Annand (sitting as the Appointed Person) stated:

“21. As for the services, e.g., broadcasting, whilst I agree with Mr. Malynicz that the average consumer would include business consumers or professionals as well as the general public, the likelihood of confusion must be assessed in relation to the part of the public whose attention is lower (see e.g., Case T-448/11, *Golden Balls Ltd v. OHIM*, 16 September 2013, para. 26), although in any event, the Hearing Officer relied on an average consumer (reasonably well informed and reasonably circumspect and observant) paying an average level of attention (para. 41).”

18. The nature of the purchase is likely to be primarily visual, the average consumer encountering the goods and trade marks on the internet, in a catalogue or product literature, through advertising or at the point of purchase such as in store. I do not rule out aural considerations as it is likely that enquiries may be made or advice sought, prior to or during the purchase of such products. In accordance with *Adelphoi*, the level of attention paid must be assessed from the point of view of a member of the general public and will vary according to the nature of the goods. A substrate board will demand a higher level of attention to be paid than the purchase of a bag of sand, but, taking in to account the nature of the goods, the level of attention paid will be at least reasonable.

### Comparison of goods

19. The goods to be compared are as follows:

The opponent's goods	The applicant's goods
Building materials (non-metallic); non-metallic rigid pipes for building; asphalt, pitch and bitumen; non-metallic transportable buildings; scaffolding, not of metal; tiles and paving slabs, not of metal; artificial stones; coatings (building materials); non-metallic pipework; caverns or containers of concrete.	Substrate boards for external cladding systems being external sheathing boards.

20. In comparing the goods, I bear in mind the following guidance provided by the General Court (GC) in *Gérard Meric v OHIM*, Case T-133/05:

“29. ...goods can be considered identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

<sup>3</sup> BL O/440/13

21. 'Building materials (non metallic)' is a broad term which would include 'substrate boards'. The parties' goods are identical.

### Comparison of marks

22. The marks to be compared are as follows:

The opponent's mark	The applicant's mark
EVONIK	

23. In making a comparison between the marks, I must consider the respective marks' visual, aural and conceptual similarities with reference to the overall impressions created by them, bearing in mind their distinctive and dominant components<sup>4</sup>, but without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

24. The opponent's mark consists of the plain word 'EVONIK'. It is presented in plain type in upper case and is not stylized in any way. The distinctiveness lies in the mark as a whole.

25. The applicant's mark consists of the word 'econic' presented above the smaller word 'board'. The word 'board' sits below the final three letters of the first word, namely, 'nic'. The first three letters of the first word, 'eco', are presented in green the remainder of the word is presented in dark grey text with the word board presented in a lighter grey text.<sup>5</sup>

26. The word 'board' is descriptive of the nature of the applicant's goods which are substrate boards and consequently is a non-distinctive element for the goods at issue. The distinctiveness of the mark rests in the invented word 'econic'. The colouring of the first three letters of the word 'econic' does not have a bearing on the issue of similarity as neither party's mark is limited to any particular colour. The matter must be assessed on the similarity between the respective marks without regard to colour.<sup>5</sup>

### Visual similarities

27. The applicant submits:

*"Visually the prefixes ECO- and EVO- are different. An English speaking consumer is highly unlikely to confuse the common letter –C- with the uncommon letter –V-. The prefixes will be given greater significance by the average consumer as the beginning of a mark is considered more important and memorable than the latter part of a word as the latter part is swallowed. The*

<sup>4</sup> *Sabel v Puma AG, para.23*

<sup>5</sup> *Specsavers International Healthcare Ltd v Asda Stores Ltd (No.2) [2011] FSR 1, Mann, J.*

*word BOARD appears beneath the NIC element of the Applicant's Mark. A consumer's eye will immediately be drawn to the colourful and striking ECO term, and then the BOARD term as it is unusually positioned out of sequence, and then finally to the term NIC. The terms ECO, NIC and BOARD are clear separate elements of the Applicant's Mark owing to their emphasis and positioning. The visual distinction between the marks is striking with the differences clearly outweighing any similarities."*

28. The opponent submits:

*"The beginnings of the marks are the same – the letter "E"- and the endings ONIC/ONIK are very similar. The difference between the marks lies in a central letter and it is accepted in case law that the middle parts are the least important.*

*With any degree of perfect recollection there is a high degree of visual similarity between the marks."*

29. The applicant draws my attention to the fact that the beginnings of words are more important. The general rule, that the average consumer tends to place most importance on the start of a word<sup>6</sup>, is exactly that - a general rule, to which an exception can be made depending on the circumstances of the case.<sup>7</sup>

30. The dominant and distinctive element of the applicant's mark and the entirety of the opponent's mark both consist of six letters. The average consumer will remember the letters rather than whether they were presented in upper or lower case. Both begin with E. The third, fourth and fifth letters are also the same, being O-N-I and are in the same order within the mark. The differences are that the opponent's mark has the letters V and K as its second and sixth letters, whereas the applicant's has the letter C in those same two places. Taking these factors into account I find there to be a high degree of visual similarity between the marks.

### **Aural similarities**

31. The applicant submits that its mark is longer being ECONIC BOARD and that the ECO part of the mark will be given greater significance by the average consumer. In its view the mark applied for will be pronounced ECO-NICK BOARD while the opponent's mark will be pronounced EH-VON-ICK. The applicant concludes that both have three syllables, *'but these are aurally very different'*.

32. The word 'BOARD' in the application may or may not be articulated. The first word in the application may be pronounced EE-CON-ICK (EE as in cheese, CON as in connect and ICK as in pick) or, as the applicant submits, ECO-NICK (ECO as in ecological and NICK as in nicked). However, the opponent's mark may also be pronounced EE-VON-ICK or EVO-NICK in the same manner. Taking all of these factors into account the parties' marks are aurally similar to a high degree.

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<sup>6</sup> *Les Editions Albert Rene v OHIM, Case T-336/03*

<sup>7</sup> *Castellani SpA v OHIM, T-149/06 ans Spa Monopole, Campagnie Fermiere de Spa SA/NV v OHIM, T-438/07*

## Conceptual similarities

33. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.<sup>8</sup> The assessment must be made from the point of view of the average consumer.

34. In respect of the conceptual comparison the opponent submits:

*“4.4 Neither mark has any particular meaning and therefore the issue is not relevant.”*

35. The applicant submits:

*“11. The Applicant’s prefix ECO connotes the idea of the environment, nature, and economical and the stylization and colouring (in green) emphasis [sic] its green or eco credentials. ECO is a commonly used abbreviation immediately bringing to the average consumer’s mind the idea of eco-friendly or economical. The Applicant’s Mark denotes the concept of an environmentally friendly board or an economical (inexpensive) board. In contrast, the Opponent’s Mark appears to have no conceptual meaning in English, but may have a meaning in another language and so no such idea, suggestion or connotation can be drawn from the Opponent’s Mark. There is no conceptual similarity between the marks.”*

36. The opponent’s mark has no meaning to the average consumer in the UK. The applicant’s mark may, when presented with the first three letters coloured green, allude to an environmentally friendly concept. However, the average consumer will not attempt to break down the word if they see it as ee-con-ick and, in any event, the application makes no claim to colour and could, therefore, be presented in a number of different colours. The word ‘eonic’ clearly has no meaning to the UK consumer and in my view any conceptual message created by the colouring of the first three letters, would be nebulous at best. Taking all of these factors into account the parties’ marks will be seen as invented words and are conceptually neutral.

## Distinctive character of the earlier mark

37. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been used as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger Joined Cases C-108/97 and C-109/97* [1999] ETMR 585.

38. The opponent’s earlier mark is the single word ‘EVONIK’ which will be seen by the average UK consumer as an invented word. Consequently, the trade mark has a high degree of inherent distinctive character.

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<sup>8</sup> This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

## **Likelihood of confusion**

39. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.<sup>9</sup> I must also keep in mind the average consumer for the goods, the nature of the purchasing process and have regard to 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.

40. I have found the marks to be highly similar visually and aurally and to be conceptually neutral. I have found the earlier mark to have a high level of inherent distinctive character. I have found the parties' goods to be identical. I have identified the average consumer, namely a member of the general public or a professional and have concluded that the level of attention paid to the purchase of the goods at issue must be assessed at the lower level. i.e. that of a member of the general public. The level of attention paid will vary according to the cost and complexity of the goods being purchased, but will be at least reasonable. I have concluded that the purchase will be primarily visual, though I do not discount an aural element as enquiries may be made, or advice sought, prior to purchase.

41. Taking all of these factors into account, particularly the concept of imperfect recollection, in my view, the similarity of the marks is such that in the context of identical goods purchased, for the most part, visually, I find that there will be direct confusion (where one mark is mistaken for the other).

## **CONCLUSION**

**42. The opposition succeeds under section 5(2)(b) of the Act:**

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<sup>9</sup> *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27

## **Costs**

43. The opposition having succeeded, the opponent, is entitled to a contribution towards its costs. In making an award I have taken into account that no hearing took place. I make the award on the following basis:

Preparing a statement and considering the other side's statement:	£200
Preparing and filing evidence:	£400
Official fee:	£200
Total	£800

44. I order Italian Duncryne Ltd to pay Evonik Industries AG the sum of £800. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated 10<sup>th</sup> of February 2014**

**Ms Al Skilton  
For the Registrar,  
The Comptroller General**