

O-547-16

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 3111055

BY

GO TO THE FUTURE LTD

TO REGISTER THE TRADE MARK

The trade mark consists of the letters 'GTF' in a bold, italicized, sans-serif font. The 'G' is a thick, blocky letter with a slight curve. The 'T' is a thick, blocky letter with a slight curve. The 'F' is a thick, blocky letter with a slight curve. The letters are black and set against a white background.

IN CLASS 12

AND

THE OPPOSITION THERETO

UNDER NO 405129

BY

VOLKSWAGEN AKTIENGESELLSCHAFT

BACKGROUND

1. On 29 May 2015, Go To The Future Ltd (the applicant) applied to register the above trade mark in class 12 of the Nice Classification system,¹ as follows:

Class 12

Motorized, electric-powered, self-propelled, self-balancing, wheeled personal mobility transportation device; Electric three-wheeled mobility and transportation devices; Three-wheeled motor vehicles; Two-wheeled motor vehicles; Bicycles; Cars; Electric cars; Jet boats; Kayaks; Land vehicles; Mini-bikes; Mopeds; Motor yachts; Motorbicycles; Motorbikes; Motorboats; Motorcycles; Motorised bicycles; Motorised yachts; Motorized scooters; Mountain bicycles; Mountain bikes; Non-motorized scooters [vehicles]; Scooters; Scooters [for transportation]; Scooters [vehicles]; Ski boats; Sledges; Snow mobiles; Snow vehicles; Snowmobiles; Vehicles (electric); Vehicles for travel by air; Vehicles for travel by land; Vehicles for travel by rail; Vehicles for travel by sea; Vehicles for travel by water; Vehicles for use in water; Vehicles for use on land; Vehicles for use on water; Vehicles (Remote control -), other than toys; Velocipedes; Yachts.

2. The application was published on 19 June 2015, following which Volkswagen Aktiengesellschaft (the opponent) filed notice of opposition against all of the goods in the application.

3. The opponent bases its case on sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (the Act). In respect of both grounds it relies upon class 12 of its European trade mark registration (EUTM) 6889067, the details of which are as follows:

¹ *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).*

Mark details and relevant dates	Goods relied upon
Mark: GTE Filed: 5 May 2008 Registered: 24 September 2010	Vehicles, and parts and fittings therefor, included in class 12; wheels for vehicles; apparatus for locomotion by land, air or water; none of the aforementioned goods being vehicles for transporting washing and cleaning machines and apparatus, trolleys, apparatus in the nature of trolleys, cleaning trolleys, trolleys for the transportation of machines, carts, electrically powered carts, hand carts, carts for the transportation of machines, carts for transporting washing and cleaning machines and apparatus, self contained mobile carts.

4. The opponent states that the parties' marks are almost identical to each other and the applicant's goods are either identical or highly similar to its own goods in class 12. It concludes that there is a likelihood of confusion.

5. The applicant filed a counterstatement in which it denies the grounds on which the opposition is based.

6. Both parties filed evidence and skeleton arguments. A hearing took place on 2 September 2016. The applicant was represented by Mr Ivan Khomych who attended by telephone. The opponent was represented by Mr Graham Murray of WP Thompson, who attended by video conference.

EVIDENCE

Opponent's evidence

Witness statement of Florian Freiberg and Martin Müller-Korf

7. Mr Freiberg and Mr Müller-Korf are Corporate Counsel and a Business Lawyer, respectively, for the opponent. Their witness statement is dated 16 February 2016. Paragraph 2 of their statement is as follows:

“We can confirm that the turnover for GTE products sold by Our Company in the UK since January 2015 amounts to a total of at least €10,000,000...The turnover for GTE products sold by Our Company in Germany in 2014 amounts to a total of at least €8,000,000...and in 2015 amounts to a total of at least €30,000,000.”

Witness statement of Francesco Simone with exhibits FS1 and FS2

8. Mr Simone is a trainee Trade Mark Attorney at WP Thompson. His witness statement is dated 17 February 2016.

9. Mr Simone says of Exhibit FS1:

“In support of the Opponent’s claim that there exists a likelihood of confusion between its GTE trade mark and the contested mark, I have researched the extent to which vehicles other than cars and motorbikes are produced by engine manufacturers.”

10. Exhibit FS2 is made up of a number of “reviews of the Opponent’s GTE products predating 29 May 2015”. The articles are dated between 21 February 2014 and 12 May 2015 and are taken from online sources including, inter alia, *autoexpress*, *topgear* and *whatcar*.

11. I will not detail the exhibits here but will refer to them when necessary later in this decision.

Applicant’s evidence

Witness statement of Ivan Khomych

12. Mr Khomych does not indicate his position in the applicant company but refers to the company and himself as one and the same. His witness statement is dated 7 April 2016. A single annex of 92 pages is attached to the statement. The main points arising from his statement are as follows:

- The applicant is the manufacturer of the motorized, electric-powered, self-propelled, self-balancing, wheeled personal mobility transportation device GTF JETROLL.
- The applicant has established a dealer network in a number of countries including Russia, Turkey and the Ukraine.
- The applicant sells its goods through its online store <http://gtf-jetroll.com>

Preliminary issues

13. Until a trade mark has been registered for five years (when the proof of use requirements set out in s.6A of the Act are triggered), it is entitled to protection in relation to all the goods for which it is registered. Consequently, the opponent's earlier EU mark must be protected for the goods for which it is registered in class 12 without the opponent needing to prove any use of its mark in relation to those goods. The opponent's is therefore entitled to rely on its earlier mark for all the goods for which it is registered, on a notional basis. The concept of notional use was explained by Laddie J in *Compass Publishing BV v Compass Logistics Ltd*, ²in the following terms:

"22. ...It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place."

² [2004] RPC 41

14. So far as the applicant's current use of his mark is concerned, in *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*³ the Court of Justice of the European Union ("CJEU") stated at paragraph 66 of its judgment that when assessing the likelihood of confusion in the context of registering a new trade mark it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered.

15. Similarly, differences between the goods currently provided by the parties are irrelevant, except to the extent that those differences are apparent from the lists of goods they have tendered for the purpose of the registration of their marks.

DECISION

16. Section 5(2)(b) of the Act states:

"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."

17. 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

³ *Case C533/06*

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.”

Section 5(2)(b) case law

18. 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:

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

19. In accordance with the above cited case law, I must determine who the average consumer is for the goods at issue and also identify the manner in which those goods will be selected in the course of trade.

20. 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*⁴, 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.”

21. The average consumer of the goods in class 12 will be a member of the general public or a business/professional. The purchase is likely to be primarily visual though I do not discount the fact that advice may be given verbally by a salesperson as part of the purchasing process. For all of the goods, which are vehicles or parts of vehicles, they are likely to be fairly infrequent and expensive purchases with many factors needing to be considered, for example, inter alia, the purpose, price, features, suitability and economy of the vehicle being purchased. Consequently, the level of attention paid is likely to be higher than average.

⁴ [2014] EWHC 439 (Ch)

Comparison of goods

22. The goods to be compared are as follows:

The opponent's goods	The applicant's goods
<p>Class 12 Vehicles, and parts and fittings therefor, included in class 12; wheels for vehicles; apparatus for locomotion by land, air or water; none of the aforementioned goods being vehicles for transporting washing and cleaning machines and apparatus, trolleys, apparatus in the nature of trolleys, cleaning trolleys, trolleys for the transportation of machines, carts, electrically powered carts, hand carts, carts for the transportation of machines, carts for transporting washing and cleaning machines and apparatus, self-contained mobile carts.</p>	<p>Class 12 Motorized, electric-powered, self-propelled, self-balancing, wheeled personal mobility transportation device; Electric three-wheeled mobility and transportation devices; Three-wheeled motor vehicles; Two-wheeled motor vehicles; Bicycles; Cars; Electric cars; Jet boats; Kayaks; Land vehicles; Mini-bikes; Mopeds; Motor yachts; Motorbicycles; Motorbikes; Motorboats; Motorcycles; Motorised bicycles; Motorised yachts; Motorized scooters; Mountain bicycles; Mountain bikes; Non-motorized scooters [vehicles]; Scooters; Scooters [for transportation]; Scooters [vehicles]; Ski boats; Sledges; Snow mobiles; Snow vehicles; Snowmobiles; Vehicles (electric); Vehicles for travel by air; Vehicles for travel by land; Vehicles for travel by rail; Vehicles for travel by sea; Vehicles for travel by water; Vehicles for use in water; Vehicles for use on land; Vehicles for use on water; Vehicles (Remote control -), other than toys; Velocipedes; Yachts.</p>



23. 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.”

24. The opponent's goods include vehicles, parts and fittings for vehicles and apparatus for locomotion by land, air or water. All of the applicant's goods are included within these broad terms. Consequently these are identical goods in accordance with the decision in *Meric*.

Comparison of marks

25. The marks to be compared are as follows:

The opponent's mark	The applicant's mark
	

26. 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 components⁵, 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. The opponent's mark consists of the three letters GTE in capital letters with no stylization. Consequently, the overall impression rests in the mark as a whole.

27. The applicant's mark consists of the three letters GTF, presented in capital letters. There is a degree of stylization to the extent that the letters are emboldened and are divided at the top, into each individual letter, by white lines which are each at a 45 degree angle with the high point at the top right. The stylisation is minimal and the mark will not be seen as anything other than the letters GTF and it is those letters which dominate the overall impression of the mark.

⁵ *Sabel v Puma AG*, para.23

28. With regard to the comparison of the marks the applicant maintains that the marks are abbreviations which are different. It states that they differ visually by 30% and aurally in the letters E and F which are the third letters present in each of the marks.

29. The opponent concludes that the marks are highly similar on the basis that the first two letters, GT, are at the beginning of both marks and that the 'beginning of marks are retained by the average consumer'. It states that the stylisation of the applicant's mark is minimal and that the letters E and F are visually highly similar in that they differ only by one 'limb' 'present at the bottom of the letter E'.

30. The marks are both short being three letters in length with the third letter being different. The applicant's third letter being a letter F and the opponent's being E. Neither of the marks is capable of being pronounced as a word and consequently, the average consumer will not try to make words from them and will instead sound out the letters. In making a finding regarding short marks I bear in mind the comments of Iain Purvis QC sitting as the Appointed Person in *Hachette Filipacchi Presse SA v Ella Shoes Ltd*⁶ in which he stated:

"20...In considering visual similarity, it was clearly right to take into account the shortness of the marks, since a change of one letter in a mark which is only 4 letters long is clearly more significant than such a change in a longer mark."

31. Taking these factors into account, I find there to be a medium degree of visual and aural similarity between these marks.

32. Conceptually, the average consumer will consider them to be acronyms. Consequently, there is no prima facie meaning to either mark. There are no submissions to the contrary from either party. The marks are conceptually neutral.

Distinctive character of the earlier mark

⁶ BL O/277/12

33. 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*.⁷

34. With regard to the distinctiveness of its mark the opponent states in its skeleton argument:

“13. The earlier mark is highly distinctive, both inherently and through use. The GTE trade mark has been used significantly throughout Europe. The turnover for GTE products in the UK since January 2015 amounts to at least £10,000,000. The turnover for GTE products in Germany in 2014 is €38,000,000. This use has increased distinctiveness of the mark in respect of the goods sold by the Applicant and has increased the reputation associated with the mark, which in turn increases the likelihood of confusion.”

35. The opponent’s GTE mark has no descriptive or allusive meaning and is possessed of a good level of distinctive character. Despite having no obvious meaning I am not able to find a high level of inherent distinctive character as would normally be the case for invented words. This is because the mark is not pronounceable and is a three letter acronym of the type that the average consumer is used to seeing being used by companies and individuals.

36. Turnover figures given by Florian Freiberg and Martin Müller-Korf in the opponent’s first witness statement are given in Euros and refer to GTE ‘products’. It is not clear if these figures relate to goods in class 12 or include sales in other classes for which the mark is registered, as no breakdown has been provided. The two figures of €8m (2014) and €30m (2015) relate only to the German market. Figures for the UK are provided only for January 2015 onwards. Given that any turnover relating to a date after 29 May

⁷ *Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.*

2015 is outside the relevant period much of this turnover is likely to refer to events after the relevant date. If all of the turnover for the UK relates to cars and occurred within the relevant period (which is unlikely), then given the value of the goods this is likely to amount to a few hundred cars. I have no indication of the size of the relevant markets in class 12 but I imagine it is substantial. The evidence filed by the opponent does not show that its GTE mark has enhanced its distinctive character through the use made of it.

Likelihood of confusion

37. 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.⁸ 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.

I have found the marks to be visually and aurally similar to a medium degree and to be conceptually neutral. The parties' goods are identical.

38. I have identified the average consumer, namely a member of the general public or business/professional and have concluded that the level of attention paid to the purchase will be higher than average. The purchasing process is primarily a visual one, though I do not rule out an aural element, especially where advice is sought from a salesperson prior to the purchase.

39. I note that the opponent draws my attention to the general rule that the average consumer pays more attention to the beginnings of marks. This has been established in a number of cases, including, *El Corte Inglés, SA v OHIM*.⁹

⁸ *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27

⁹ *Cases T-183/02 and T-184/02*

40. See also: GC cases: *Castellani SpA v OHIM*,¹⁰ *Spa Monopole, compagnie fermière de Spa SA/NV v OHIM*,¹¹ (similar beginnings important or decisive), *CureVac GmbH v OHIM*,¹²(similar beginnings not necessarily important or decisive) and *Enercon GmbH v OHIM*,¹³ (the latter for the application of the principle to a two word mark).

41. What is evident from these cases is that each case must be decided on its merits. In this case the marks are not words with identical beginnings, but rather acronyms which have the same first two letters and a different third letter. In my view, these marks are of a type that the average consumer is used to encountering in respect of a wide range of goods and services and, what's more, they are used to distinguishing such marks from each other. Given the higher than average level of attention likely to be paid to these purchases and taking all other factors into account, I find there is no likelihood of confusion between these marks. Furthermore, these are not the types of marks where there would be an obvious brand extension link, they are simply two different acronyms.

42. I will now go on to consider the opponent's case under section 5(3) of the Act.

43. Section 5(3) states as follows:

"A trade mark which -

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

44. In relying on this ground, the applicant relies on the same mark and evidence as it did in support of its objection under section 5(2) of the Act. In order to get a case off the ground, under section 5(3), the opponent must prove that its earlier mark has a

¹⁰ T-149/06

¹¹ T-438/07

¹² T-80/08

¹³ T-472/07

reputation. Reputation in this context means that the earlier trade mark is known by a significant part of the public concerned with the goods covered by that mark (see paragraph 26 of the CJEU's judgment in *General Motors Corp. V Yplon SA (CHEVY)*)¹⁴. At paragraph 27 of the same judgment the Court stated:

“In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking promoting it.” the CJEU's comments in CHEVY it is known that for a reputation to exist, the relevant marks must be known by a significant part of the public concerned and that particularly important considerations are the market share held by the marks, the intensity, geographical extent and duration of use and the level of promotion undertaken.”

45. Earlier in this decision, in my consideration of the distinctive character possessed by the opponent's mark, I concluded that I was unable to determine the extent of use of the mark in respect of goods in class 12. I have no information regarding advertising spend, it is not clear which goods the sales figures relate to, what the size of the market is or what share of that market the opponent's GTE mark has. Given that finding it is not possible for the opponent to show the necessary reputation required by *Chevy* and I find that the action under the 5(3) ground fails at the first hurdle.

46. The opposition under section 5(3) of the Act fails.

CONCLUSION

47. The opposition fails under section 5(2)(b) and section 5(3) of the Act.

COSTS

¹⁴[1999] ETMR 122

48. The opposition having failed, the applicant is entitled to a contribution towards its costs. I award costs on the following basis, taking into account that the applicant represented itself:

Preparing a statement and considering the other side's statement	£200
Preparing evidence/ considering and commenting on the other side's evidence	£300
Submissions in lieu of attending a hearing	£200
Total:	£700

49. I order Volkswagen Aktiengesellschaft to pay Go To The Future Ltd the sum of £700. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 22nd day of November 2016

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