

O-396-17

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3179633 BY
ADDLESHAW GODDARD SERVICE COMPANY LIMITED
TO REGISTER:**

BREXIT BOX

&

BREXITBOX

AS A SERIES OF TWO TRADE MARKS IN CLASSES 9, 16, 35, 41 & 45

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 407971 BY MKW ASSOCIATES LIMITED**

BACKGROUND & PLEADINGS

1. On 10 August 2016, Addleshaw Goddard Service Company Limited (“the applicant”) applied to register a series of two trade marks i.e. **BREXIT BOX** and **BREXITBOX** for a range of goods and services in classes 9, 16, 35, 41 and 45. The application was published for opposition purposes on 2 September 2016.

2. On 28 November 2016, the application was opposed by MKW Associates Limited (“the opponent”). The opposition, which is only directed against the services in class 35 of the application (shown in paragraph 13 below) is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), with the opponent relying upon the following United Kingdom trade mark registration:

No. 3098518 for the trade mark: **BREXIT** which was applied for on 10 March 2015 and entered in the register on 9 October 2015. The opponent relies upon the services in class 35 of its registration, details of which can be found in paragraph 13 below.

3. In its Notice of Opposition, the opponent states:

“The first word of the contested mark is identical to the prior mark. The marks are both aurally, visually and conceptually highly similar. The services in class 35 are identical or similar. All of the services covered by the contested mark in class 35 are covered by the broad headings “business management services, business administrative services and office functions” which the prior mark covers or are directly complementary or ancillary to such services...”

4. The applicant filed a counterstatement in which the basis of the opposition is denied.

5. In these proceedings, the opponent is represented by Trade Mark Direct; the applicant represented itself. Only the opponent filed evidence; evidence which was accompanied by written submissions. Neither party asked to be heard nor did they elect to file written submission in lieu of attendance at a hearing.

DECISION

6. The opposition is based upon section 5(2)(b) of the Act which reads as follows:

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

(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.”

7. An earlier trade mark is defined in section 6 of the Act, which states:

“6. - (1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK), 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.”

8. In these proceedings, the opponent is relying upon the trade mark shown in paragraph 2 above, which qualifies as an earlier trade mark under the above provisions. As this earlier trade mark had not been registered for more than five years at the date when the application was published, it is not subject to proof of use, as per section 6A of

the Act. The opponent can, as a consequence, rely upon all the services it has identified.

The opponent's evidence

9. This consists of a witness statement dated 31 January 2017 from Mark Kingsley-Williams who describes himself as a “business owner”; his address is the same as that of the opponent and its professional representatives. Attached to his statement as exhibit 1 are the results (none of which have been expanded) of what appears to be an undated Google search (but which I infer was conducted contemporaneously with his witness statement) for what Mr Kingsley-Williams describes as the words “business services” and “box” I will return to this evidence below.

Section 5(2)(b) – case law

10. The following principles are gleaned from the decisions of the courts of the European Union 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.

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 be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings 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 will 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

11. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' services; I must then determine the manner in which these services are likely to be selected by the average consumer in the course of trade. 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.”

12. In the absence of evidence or submissions to assist me, I conclude that the average consumer of the vast majority of the services at issue in these proceedings is more likely to be a business user than a member of the general public. I say vast majority, because along with business users a member of the general public is equally likely to be an average consumer of services relating to, for example, “tax consultancy, tax planning and preparation of income tax returns.” As to how the services at issue will be selected, as the evidence appears to show, I would expect a business user or member

of the general public to encounter the trade marks at issue in, for example, advertisements, publications/reviews (in both hard copy and on-line) and whilst discussing the matter with others, for example, business contacts/colleagues, friends and family members. While all of the above suggests that both visual and aural considerations will feature in the selection process, in my view, visual considerations are more likely than not to dominate the process. As to the degree of care that the average consumer will display when selecting the services at issue, as my own experience (as a member of the general public) tells me that the handling of, for example, one's tax affairs is of considerable importance to an individual, selecting an undertaking to provide such services will command at least an above average degree of attention on the part of a member of the general public. As the selection of both the tax related services and the remaining business orientated services at issue are likely to have a critical role to play in the success or otherwise of a commercial undertaking, as not insignificant sums are likely to be in play and, for example, as tendering arrangements and entering into contracts (the latter of which are likely to remain in place for some time) may form part of a business user's selection process, I would expect such an average consumer to pay a fairly high degree of attention to the selection of all the services at issue.

Comparison of services

13. The competing services are as follows:

The opponent's services	The applicant's services
<p>Class 35 - Advertising; business management; business administration; office functions.; Retail services connected with the sale of cases, holders and carriers adapted for mobile phones, computers, laptop computers, tablet computers, personal communications devices, articles</p>	<p>Class 35 - Business information and services; advertising; business management, business advisory and business administration services; advertising, marketing, publicity, public relations and promotional services;</p>

<p>made of ceramic, glass porcelain or earthenware which are not included in other classes, cups and mugs, crockery, clothing, footwear, headgear, belts; Consultancy and information in relation to the aforesaid services, included in this class.</p>	<p>consultancy relating to mergers and acquisitions; business enquiries; business investigations; business research and consultancy services, all relating to the provision of legal advice; tax assessment, tax consultancy, tax planning services; preparation of income tax returns; company secretarial services; provision of initial company secretarial services on company formation; business advisory services relating to liquidation; consultancy, advisory and information services, all relating to the aforesaid services; provision of the aforesaid services provided on-line from a computer database or the Internet.</p>
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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 of its judgment 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”.

The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) The extent to which the respective goods or services are competitive. This enquiry 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.

In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria 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 General Court (“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 that the responsibility for those goods lies with the same undertaking”.

In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* case T-133/05, the GC stated:

“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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v*

OHIM – Petit Liberto (Fifties) [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 Vedral v OHIM – France Distribution (HUBERT) [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42).”

In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

14. In its counterstatement, the applicant simply denied that the competing services in class 35 were “identical or similar”; it did not explain why it took that view and as my analysis below shows, that is clearly not the case in relation to a number of terms in its specification which are, self-evidently, literally identical. In its submissions, the opponent provided a detailed analysis of the services at issue. In doing so, it referred to the “Guidelines for Examination in the Office” provided by the European Union Intellectual Property Office (“EUIPO”) which are said to date from 2014. These Guidelines are said to have read as follows:

“When comparing specific services falling within Class 35 it is very useful to focus on the question: Who is providing this kind of service? Is it an advertising agency, a management consultant, a human resources consultant an accountant an auditor, a sales agent or a tax advisor? Once the usual origin has been established it is easier to find the general indication to which the specific service belongs.

Business management services are services usually rendered by companies specialised in this specific field such as business consultants. They gather

information and provide tools and expertise to enable their customers to carry out their business or to provide businesses with the necessary support to acquire, develop and expand market share. They involve activities such as business research and appraisals, cost price analysis and organisation consultancy. These services also include any 'consultancy', 'advisory' and 'assistance' activity that may be useful in the 'management of a business, such as how to efficiently allocate financial and human resources; how to improve productivity; how to increase market share; how to deal with competitors; how to reduce tax bills; how to develop new products; how to communicate with the public; how to do marketing; how to research consumer trends; how to launch new products; how to create a corporate identity; etc.

When comparing business management to advertising it should be noted that advertising is an essential tool in business management because it makes the business itself known in the market. As stated above, the purpose of advertising services is 'to reinforce the [business] position in the market' and the purpose of business management services is to help a business in 'acquiring, developing and expanding market share'. There is not a clear-cut difference between 'reinforcing a business position in the market' and 'helping a business to develop and expand market share'. A professional who offers advice regarding how to efficiently run a business may reasonably include advertising strategies in that advice because there is little doubt that advertising plays an essential role in business management. Furthermore, business consultants may offer advertising (and marketing) consultancy as a part of their services and therefore the relevant public may believe that these two services have the same professional origin. Consequently, considering the above these services are similar to a low degree (see decision R 2163/2010-1 'INNOGAME/ INNOGAMES', para. 13-17).

Business administration services consist of organising people and resources efficiently so as to direct activities toward common goals and objectives. They include activities such as personnel recruitment, payroll preparation, drawing up

account statements and tax preparation. The line between both headings, business management and business administration, is blurred and it is sometimes very difficult (if not impossible) to clearly distinguish between them. They both fall under the broader category of business services. As a general rule it can be said that business administration services are performed in order to organise and run a business, whereas business management follows a higher approach aimed at setting the common goals and the strategic plan for a commercial enterprise.

Office function covers services which are aimed at performing day-to-day operations that are required by a business to achieve its commercial purpose. They mainly cover activities that assist in the working of a commercial enterprise. They include activities typical to secretarial services, such as shorthand and typing, as well as support services, such as the rental of office machines and equipment.” (my emphasis).

15. In summary, the above Guidelines indicate that “business administration services” are performed in order to organise and run a business, “business management services” are aimed at setting the common goals and the strategic plan for a commercial enterprise and that “office function” services are aimed at performing day-to-day operations that are required by a business to achieve its commercial purpose.

16. These Guidelines are, of course, of interest only. However, notwithstanding the fact that they are from 2014, as they represent what, in my view, is a sensible approach to, inter alia, how the broad terms in the competing specifications in class 35 would have been understood by an average consumer in the United Kingdom at the relevant date in these proceedings, I shall keep the broad principles they contain in mind when comparing the competing specifications.

17. The terms “Advertising”, “business management”, “business administration”, appears in both parties’ specifications and are literally identical.

18. The terms “business management” and “business administration” appear in both parties’ specifications. These are very broad terms capable of encompassing a wide range of business related services, the line between which is, I agree, very difficult to define. Whilst I accept that the services I have specifically identified below may be considered more appropriate to one of the other broad terms in the opponent’s specification, in my view, the term “business management” in the opponent’s specification would encompass the following services in the application (which are, as a consequence, to be regarded as identical on the *Meric* principle).

“Business information and services; business advisory services; consultancy relating to mergers and acquisitions; business enquiries; business investigations; business research and consultancy services, all relating to the provision of legal advice; business advisory services relating to liquidation.”

The following terms in the application are to be regarded as identical as they are encompassed by the term “business administration” in the opponent’s specification:

“Tax assessment, tax consultancy, tax planning services; preparation of income tax returns.”

The term “office functions” in the opponent’s specification would encompass the following services in the application which are, once again, to be regarded as identical on the *Meric* principle.

“Company secretarial services; provision of initial company secretarial services on company formation.”

19. “Marketing”, “publicity”, “public relations” and “promotional” services in the application are, in my view, also encompassed by the term “business management” in the opponent’s specification (and identical on the *Meric* principle); “publicity” and “promotional services” in the application are also encompassed by the term

“advertising” which appears in the opponent’s specification and, once again, identical on the *Meric* principle.

20. The services which remain in the application are: “consultancy, advisory and information services all related to the aforesaid services” and “provision of the aforesaid services provided on-line from a computer database or the Internet”. As I have concluded that the core competing services are identical (either literally or on the *Meric* principle) and as the opponent’s specification includes the following phrase “consultancy and information in relation to all the aforesaid services, included in this class”, which is broad enough to include all of the applicant’s services mentioned above (including those provided on line from a computer database or the internet), they too are to be regarded as identical on the principles outlined in *Meric*.

Comparison of trade marks

21. 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 them, 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.”

22. It would be wrong, therefore, artificially to dissect the trade marks, although it is necessary to take into account their distinctive and dominant components and to give

due weight to any other features which are not negligible and therefore contribute to the overall impressions they create. The trade marks to be compared are:

Opponent's trade mark	Applicant's trade marks
BREXIT	BREXIT BOX BREXITBOX

23. In its submissions, the opponent states:

“The word BREXIT is not normally associated with specific business services. It is far too vague and wide a term to be directly descriptive or non-distinctive in relation to such services. It is used simply to denote Britain's exit from the EU in broad and general terms. So the relevant public will perceive it as being used in a trade mark sense in respect of the services covered by [the competing trade marks].”

And:

“The word BOX is commonly used to refer to mail boxes and virtual company secretarial services.”

It goes on to explain that The Collins English online dictionary defines box in the following terms:

“As a countable noun – Box is used before a number as a postal address by organisations that receive a lot of mail.”

The opponent further submits:

“Thus the word BOX has a low level of distinctiveness in connection with many of the services covered by class 35 of [the application] that relate to correspondence and administration including “Business information and services; business management, business advisory and business administration services; business enquiries; preparation of income tax returns; company secretarial services; provision of initial company secretarial services on company formation; consultancy, advisory and information services”.

And:

“...Even trade marks with low distinctiveness have a chance of retaining their independent distinctive character...Here it is submitted that the word BREXIT retains an independent distinctive character in [the application]”.

24. The applicant has applied for a series of two trade marks, both of which consist of nine letters presented in block capital letters. In its submissions, the opponent comments on the meaning of the word BREXIT i.e. “Britain’s exit from the EU.” I am satisfied that by the date the opponent’s trade mark was filed in March 2015, the average consumer would have been familiar with the word BREXIT and the meaning associated with it referred to by the opponent. As I am also satisfied that the average consumer would recognise that the second trade mark in the series consists of this word conjoined to the word BOX (many meanings of which will also be very well-known to the average consumer), it matters not upon which trade mark in the series I conduct the comparison. For the sake of convenience, I shall conduct the comparison on the basis of the first trade mark in the series.

25. The opponent’s trade mark consists of the single word BREXIT presented in block capital letters. That is the overall impression it will convey and where any distinctive it may contain lies.

26. The applicant's trade mark also contains this word presented in an identical manner as the first component of the trade mark. The second component in the applicant's trade mark is the word BOX also presented in block capital letters. I have already concluded that the word BOX and many of its meanings (which would include the opponent's reference to mail boxes) would be well-known to the average consumer.

27. Insofar as the opponent states that the word BOX is "commonly used to refer to...virtual company secretarial services", I am not aware of this meaning and the opponent does not link this submission to any of the hits it has provided as exhibit 1. As I explained above, this exhibit appears, for the most part, to be undated and the inclusion in it of, for example, a reference to "OB (out of the box) Business Services PYT Ltd LinkedIn", suggests that the search was not limited to the United Kingdom. In my view, the only relevant entry which can be dated is from www.businessinabox4u.co.uk/business-services-box/. It is from June 2014 and reads: "business services boxes Suitable for: Consultants, Home based business, I.T. specialists, Office workers, Recruitment agencies, Telecoms..."; this is the type of usage to which I assume Mr Kingsley-Williams is referring. Mr Kingsley-Williams goes on to state that the word BOX has a low level of distinctiveness in relation to many of the applicant's services that relate to correspondence and administration.

28. I am not convinced that when preceded by the word BREXIT, that the average consumer would construe the word BOX as a reference to a postal address/mail box. However, there may be some merit in the opponent's submission to the effect that the word BOX has only a low level of distinctiveness for a number of the business related services at issue in these proceedings. While the opponent specifically identifies "virtual company secretarial services" as an example, its evidence (in particular the example I have mentioned above) suggests that the word may also be used in the context of business related services which can be obtained in one place, a one-stop-shop if you will. While this meaning may be understood by the predominantly business users of the business related services at issue in these proceedings, one example is, in my view, a flimsy basis on which to draw such a conclusion. In my view, the average consumers

are likely to accord the word BOX its most obvious meaning i.e. a container (real or virtual) into which things are placed; any distinctive character this word possesses must, as a consequence, be fairly low. Further, in my view, the words “BREXIT” and “BOX” form a “unit”, the meaning of which (i.e. a box of services to assist in the BREXIT transition) is different to the individual components of which it is made up. It is that unit which will convey the overall impression and in which the distinctiveness of the applicant’s trade mark resides.

The visual, aural and conceptual comparison

29. Even approached on the basis indicated above, the fact that the word BREXIT is the only word in the opponent’s trade mark and the first word that will be seen and spoken in the applicant’s trade mark, leads, in my view, to a medium degree of visual and aural similarity between the competing trade marks. While both parties’ trade marks are conceptually similar to the extent that they will evoke the concept of Britain leaving the European Union, the applicant’s trade mark adds an additional concept alien to the opponent’s trade mark i.e. a box of services to assist in that transition.

Distinctive character of the earlier trade mark

30. The distinctive character of a trade mark can be appraised only, first, by reference to the services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. 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 services for which it has been registered as coming from a particular undertaking and thus to distinguish those services from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

31. Although the opponent filed evidence, it did not include evidence of any use it may have made of its earlier trade mark. In those circumstances, I have only the trade mark's inherent distinctiveness to consider. In *Formula One Licensing BV v OHIM*, Case C-196/11P, the CJEU found that:

“41.it is not possible to find, with regard to a sign identical to a trade mark protected in a Member State, an absolute ground for refusal, such as the lack of distinctive character, provided by Article 7(1)(b) of Regulation No 40/94 and Article 3(1)(b) of Directives 89/104 and 2008/95. In this respect, it should be noted that the characterisation of a sign as descriptive or generic is equivalent to denying its distinctive character.

42. It is true that, as is clear from paragraph 48 of the judgment under appeal, where an opposition, based on the existence of an earlier national trade mark, is filed against the registration of a Community trade mark, OHIM and, consequently, the General Court, must verify the way in which the relevant public perceives the sign which is identical to the national trade mark in the mark applied for and evaluate, if necessary, the degree of distinctiveness of that sign.

43. However, as the appellant rightly points out, their verification has limits.

44. Their verification may not culminate in a finding of the lack of distinctive character of a sign identical to a registered and protected national trade mark, since such a finding would not be compatible with the coexistence of Community trade marks and national trade marks or with Article 8(1)(b) of Regulation No 40/94, read in conjunction with Article 8(2)(a)(ii).”

32. As I mentioned earlier, by the time the opponent applied for the trade mark upon which it relies, the word BREXIT would have been very well-known to the average consumer as meaning Britain's exit from the European Union. Considered on that basis in the context of the business related services upon which the opponent relies in these

proceedings, it would be understood as relating to services which assist businesses in the Brexit transition. As a consequence, any inherent distinctive character the opponent's trade mark may possess must, in my view, be of the very lowest level indeed.

Likelihood of confusion

33. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive it is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the services, the nature of the purchasing process and 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 he has retained in his mind. Earlier in this decision I concluded that:

- the competing services are identical;
- while the average consumer of all the services at issue in these proceedings is a business user, for some services the average consumer is equally likely to be a member of the general public;
- such average consumers will select the services at issue using a mixture of visual and aural considerations (with visual considerations dominating the process) paying at least an above average degree of attention to their selection and, in most cases, a fairly high degree of attention;

- the overall impression conveyed by the opponent's trade mark and any distinctiveness it may possess stems from the single word of which it is composed;
- the overall impression conveyed by the applicant's trade mark and its distinctiveness lies in the unit created by the two components of which it is made up;
- the competing trade marks are visually and aurally similar to a medium degree and conceptually similar to the extent that they will all evoke the concept of the United Kingdom's exit from the European Union;
- whatever inherent distinctive character the opponent's trade mark possesses is of the very lowest level.

34. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J. considered the impact of the CJEU's judgment in *Bimbo*, Case C-591/12P, on the court's earlier judgment in *Medion v Thomson*. He stated:

“18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole,

and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).”

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

35. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks/services down to the responsible undertakings being the same or related.

36. In its submissions, the opponent states:

“...Taking account of the position and context of the common element BREXIT in the [competing trade marks] as a whole, it is submitted that it is highly likely that the relevant consumer would perceive the [applicant’s trade marks] to simply be a longer form or sub-brand of the [opponent’s trade mark] and part of the same or a connected business.”

37. The above submission suggests to me that the opponent itself rules out the possibility of direct confusion; I agree. Earlier in this decision, I concluded, inter alia, that the average consumers of the identical services at issue in these proceedings will pay at least an above average degree of attention during the selection process. The higher the degree of attention the average consumer pays when selecting the services at issue, the less likely they will fall prey to the effects of imperfect recollection. I further found that a business user will pay a fairly high degree of attention (making them even less prone to imperfect recollection). Having reminded myself that I concluded that there is, inter alia, a medium degree of visual and aural similarity between the competing trade marks, I nonetheless find there is no likelihood of indirect confusion amongst either group of average consumers.

38. I reach that conclusion having borne in mind the need for me to consider the likelihood of confusion on the basis of the global approach advocated taking into account all relevant factors. However, as the word BREXIT and its meaning will be so well-known to the average consumer (rendering it inherently distinctive to such a very low degree), when it is combined with the word BOX, the combination creates a unit in which the word BREXIT does not play an independent distinctive role but merely contributes to the unit which is created.

Overall conclusion

39. The opposition to the application in class 35 has failed and, subject to any successful appeal, the application may proceed to registration in respect of that class as well as for the goods and services in classes 9, 16, 41 and 45 (which were not the subject of the opposition).

Costs

40. As the applicant has been successful, it is entitled to a contribution towards its costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by

Annex A of Tribunal Practice Notice (“TPN”) 2 of 2016. Using the TPN mentioned as a guide, I award costs to the applicant on the following basis:

Considering the opponent's statement and preparing a counterstatement:	£200
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Considering the opponent's evidence:	£100.
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41. I order MKW Associates Limited to pay to Addleshaw Goddard Service Company Limited the sum of £300. 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 August 2017

C J BOWEN
For the Registrar