

BL O/219/19

TRADE MARKS ACT 1994

IN THE MATTER OF UK REGISTRATION 3030757

IN THE NAME OF MICMC CO LTD

FOR THE TRADE MARKS (SERIES OF TWO)

KOHREE and Kohree

IN CLASS 11

AND

THE APPLICATION FOR A DECLARATION OF INVALIDITY THERETO

UNDER NO. 502013

BY

CREE, INC.

Background and pleadings

1. On 15 November 2013, MICMC CO LTD (“the registered proprietor”) filed trade mark application number UK00003030757 for the marks detailed on the cover page of this decision, for “Aquarium lights; Bicycle lights; Ceiling lights; Cycle lights; Germicidal lamps for purifying air; Light bulbs; Light bulbs, electric; Light-emitting diodes [LED] lighting apparatus; Lighting apparatus and installations; Lighting apparatus for vehicles; Lighting installations for air vehicles; Lights, electric, for Christmas trees; Lights for automobiles; Sockets for electric lights; Standard lamps; Street lamps; Torches for lighting; Vehicle headlights; Automobile lights; Flashlights” in class 11. As nothing turns on the difference between the marks, I will refer to them in the singular unless otherwise specified.
2. The application was published in the Trade Marks Journal on 06 December 2013. No opposition was received, and the mark was registered on 21 February 2014.
3. On 15 March 2018, Cree, Inc. (“the cancellation applicant”) filed application number CA000502013 to have the registration of the registered proprietor’s mark declared invalid, for all of the goods for which it is registered, relying upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”).
4. Under section 5(2)(b) the cancellation applicant relies upon European Union trade mark (“EUTM”) number 9564477 (for the mark **CREE**), which has a filing date of 01 December 2010 and a registration date of 26 July 2011. The mark is registered in classes 9, 11, 40 and 42. However, for the purposes of these proceedings, the cancellation applicant only relies upon a part of its goods in classes 09 and 11, namely:

Class 09: Apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; chips [integrated circuits]; optoelectronic devices; microwave generating devices for industrial use, light emitting diodes; packaged light emitting diodes; transistors; diodes; semiconductor devices; semiconductor chips; semiconductor wafers; radio frequency (rf) devices; power switching devices; silicon carbide and gallium

nitride semiconductor devices; light emitting diodes (led) for use in connection with liquid crystal (led) monitors and televisions; silicon carbide semiconductor wafers.

Class 11: Apparatus for lighting; light fixtures; flashlights; LED (light emitting diode) lighting fixtures; light bulbs; spotlights.¹

5. The cancellation applicant states that the goods at issue are identical or similar and the marks are similar. It adds that the earlier mark 'CREE' is also highly distinctive in relation to the goods in classes 09 and 11. It claims that the shared double 'EE' ending is visually striking. It also states that the word 'KOHREE' has no meaning and that the word 'CREE', being the name of an indigenous people living in Canada, will be unknown to the average member of the UK public, so there can be no conceptual similarity. The cancellation applicant claims that the average consumer of the goods at issue will be both the general public and a professional consumer and that, as such, the level of attention will vary. It also claims that the purchase and selection process of the goods at issue is likely to be oral and, applying the interdependency rule, the identity of the goods will offset the differences between the marks. Taking all of that into account, the cancellation applicant states that confusion between the marks will arise.
6. The mark relied upon qualifies as an earlier mark in accordance with section 6 of the Act. Given its registration date, it is also subject to the proof of use provisions contained in section 47(2A) of the Act. To this extent, the cancellation applicant made a statement of use corresponding to the goods upon which it relies.
7. The registered proprietor filed a counterstatement, in which it denied the grounds and stated that as the marks are not similar, no confusion will arise. In addition, the registered proprietor requested that the cancellation applicant provide proof of use of all of the goods relied upon under its EUTM.

¹ Paragraph 5, page 2, of the witness statement of Kristen Chapman, counsel of the cancellation applicant.

8. The cancellation applicant filed evidence and submissions in writing. The registered proprietor did not file evidence but did provide written submissions, in which it commented on the cancellation applicant's evidence.
9. Both parties filed written submissions in lieu of a hearing.
10. The cancellation applicant is represented by Bristows LLP. The registered proprietor is represented by The Trade Marks Bureau.

Evidence

11. The cancellation applicant submitted evidence of use in the form of a witness statement of Saaira Gill, a trade mark attorney from Bristows, the applicant's representative, along with exhibit SG-1, and a witness statement of Kristin L. Chapman, an in-house attorney for the applicant, Cree, Inc., along with eight exhibits numbered KLC1 - KLC8.
12. The cancellation applicant requested confidentiality in respect of paragraphs 6-12 of the witness statement of Kristin L. Chapman, due to the sensitive nature of the information contained in those sections. After consideration, the IPO accepted this request. The registered proprietor made no submissions against this decision and subsequently, a witness statement with paragraphs 6-12 redacted was submitted.
13. The registered proprietor contends that the above specifications (see paragraph 4), which the cancellation applicant has restricted from the initial grounds stated in the form TM26(I), still include goods that are not supported by the proof of use evidence. The registered proprietor claims that the proof of use evidence contained in exhibits KLC-1 to KLC-8 of the witness statement of Kristin L. Chapman only shows the earlier mark used on:

"LED lighting, rectifiers, power modules and driver boards all used in respect to canopy and soffit lighting for use in industrial premises, namely, petrol stations, industrial plants, hotels and airports, drop off centres, restaurants and retail outlets, showrooms, hospitals, atriums, street and roadway lighting".

14. The registered proprietor therefore contends that the cancellation applicant's goods should not be given an overly wide-reaching meaning simply because it has worded its specifications in such a manner.

15. The evidence from the cancellation applicant comprises the following:

- A witness statement of Kristin L Chapman, who has been an associate general counsel and the lead counsel, lighting, for Cree, Inc. since 17 August 2011. The witness statement, dated 16th August 2018, is accompanied by eight exhibits, listed as KLC1 – KLC8.
- A witness statement of Saaira Gill of Bristows LLP, the cancellation applicant's representative, dated 20th August 2018, accompanied by exhibit SG-1.
- The witness statement of Kristin Chapman introduces the exhibits KLC1-KLC8 with a brief summary of each. The information in paragraphs 6-12 of that witness statement, which is confidential, sets out financial figures relating to sales volumes of the cancellation applicant's products across all of the EU member states, including the UK, between the period 25 November 2011 and 24 November 2016. These figures are quite significant and are presented in US dollars.
- Exhibit KLC-1 contains English language marketing materials such as brochures, specification guides, sales sheets and data sheets. These are dated between 2013 and 2016. These materials show the mark as registered and also in combination with figurative elements.² The goods on which the mark is shown or to which the marketing materials relate are: LED canopies and soffits; LED lighting solutions; LED modules; LED area lighting solutions; adjustable and direct mount LED lighting; LED area Luminaires; LED high output area and flood Luminaires; silicon carbide power modules, rectifiers,

² The mark 'CREE' used in conjunction with the figurative elements referred to, can be seen below in paragraph 16.

LED chips, power module gate driver boards; LED lighting for car parks, streets and roads, municipal and residential areas; LED flat panels.

- KLC-2 contains similar marketing materials in other EU languages including Swedish, French, Spanish and German. These are dated 2013, 2015 and 2016. The exhibit includes a number of catalogues in French, Spanish and German, which show the plain word mark 'CREE' and that mark in conjunction with the same figurative elements seen in evidence in KLC-1. The catalogues show use of these marks on LED lighting products. The catalogues are titled 'Catalogue of LED Lighting' and 'Illumination of Offices'. There is also a specification guide to LED spotlights in Swedish. The mark as registered, and in combination with the same figurative elements, is shown on that document.
- KLC-3 contains details of EU exhibitions that Cree, Inc. has attended to promote its products. These exhibitions are dated between 2013 and 2015 and were largely UK-based, but also detail events held in Germany, Norway and Sweden. The events attended in London show the Cree, Inc. exhibition stand. The mark relied upon, and in combination with a figurative element, can be seen on the stand display panels. This exhibit also contains a list of LED lighting products bearing the mark 'CREE' with and without the figurative elements.
- KLC-4 contains extracts from magazines published in several EU member states including a number of UK examples. These extracts are dated between 2013 to 2016. These extracts show use of the mark relied upon, and the mark in conjunction with a figurative element, on LED lighting products.
- KLC-5 provides examples of labels used on product packaging and the packaging material itself. Some of the labels and packaging indicate that the goods within are LED lighting; LED modules; master pack LED recessed Luminaires; Wafer products and LED rack fixtures for spotlights. The mark

relied upon is shown on some of this material. The mark in conjunction with a figurative element is also displayed.

- KLC-6 contains sample invoices, dated between 2014 and 2016, showing sales of LED lighting products for use in street and road lights; in tunnels and parking areas; petrol stations and specifically sales of goods to Athens airport cargo area; Esso service stations; Exxon Mobile station in Cyprus; Statoil in Latvia and Lithuania and the IKEA store in Reading, UK. Other lighting products shown in this exhibit and being sold by Cree Europe S.r.l. to customers across the EU and the UK include canopy soffits, Luminaire housings and fixings to mount or attach lighting and cornices. Each invoice prominently displays the mark 'CREE' combined with one of the figurative elements shown in paragraph 16 below. The plain word 'CREE' also appears on some of the invoices less prominently. The evidence shows that the applicant's subsidiary Cree Europe S.r.l. handles product sales for Cree, Inc. in Europe and is authorised to use the trade mark 'CREE'.
- KLC-7 contains a list of the cancellation applicant's distribution and sales agreements between November 2011 and November 2016. Some of these agreements are worldwide in scope, others are EU-wide or cover many European countries, and some are specific to the UK only. The agreements that can be said to cover the UK relate to the following goods: lighting products, components, modules, LED chips, power products RF, power and RF products.
- KLC-8 contains screenshots from the website of Mouser, one of the applicant's EU distributors that sells 'CREE' products in Germany and Greece. This is dated October 2017 and shows use of the mark relied upon and in conjunction with a figurative element, on the following goods: Led modules, high power, high brightness LEDs, semiconductors, thermal management, power, LED power supplies, discrete semiconductors, RF JFET Transistors, Schottky Diodes and Rectifiers, RF Amplifier, LED Emitters, standard LED's. Also included in the exhibit is a screenshot of the same Mouser website, dated October 2015, showing the mark 'CREE'.

- The witness statement of Saaira Gill introduces exhibit SG-1 which contains screenshots of 'where to buy' 'CREE' products pages from the Cree, Inc. website, and screenshots showing UK-based sales representatives and distributors of Cree, Inc. products.

16. Where the evidence of the cancellation applicant shows the registered mark 'CREE' in combination with figurative elements, those marks are the following:



And:



17. As the registered proprietor filed no evidence, that concludes my summary of the evidence, insofar as I consider it necessary.

Decision

Proof of use

18. The first issue is whether, or to what extent, the cancellation applicant has shown genuine use of the earlier mark. The relevant statutory provisions are as follows:

“47 Grounds for invalidity of registration

(1) [...]

(2) The registration of a trade mark may be declared invalid on the ground –

(a) that there is an earlier trade mark in relation to which the conditions

set out in section 5(1), (2) or (3) obtains, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if –

(a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) it has not been used, but there are proper reasons for non-use.

(2C) For these purposes –

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Union.

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

19. Section 100 of the Act is also relevant, which reads:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

20. The relevant period in which the cancellation applicant must prove use of its mark (no claim of proper reasons for non-use having been made), in accordance with section 47(2B) of the Act, is 16 March 2013 to 15 March 2018.

21. The cancellation applicant is relying on an earlier EUTM in this matter. Use of an EUTM in an area corresponding to the territory of one EU Member State may be sufficient to constitute genuine use of that EUTM. Factors to be taken into account include: the scale and frequency of the use shown, the nature of the use shown, the goods and services for which use has been shown, the nature of those goods/services and the market(s) for them, and the geographical extent of the use shown.

22. In *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the Court of Justice of the European Union (“CJEU”) noted that:

“36. It should, however, be observed that..... the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.”

And

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark.”

And

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*,

paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77).”

23. The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.”

24. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

“228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issues in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State". On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use."

25. When considering whether genuine use has been shown, I must apply the same factors as if I were determining an application for revocation based on grounds of non-use. In *Walton International Ltd & Anot v Verweij Fashion BV*, [2018] EWHC 1608 (Ch), Arnold J. summarised the case law on genuine use of trade marks:

“114. The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C149/11 *Leno Merken BV v Hagelkruis Behher BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the

consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of

the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no de minimis rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

26. The registered proprietor has claimed that the mark shown in the evidence submitted by the cancellation applicant is a complex mark comprising more than simply the plain word mark ‘CREE’, which is the earlier right relied upon. The registered proprietor states that the evidence shows use of a stylised version of that word mark, in combination with a figurative device element.

27. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act as follows:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter’s distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered

trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

28. Although this case was decided before the judgment of the CJEU in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, it remains sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark.
29. In respect of this particular point of the registered proprietor, I note that the evidence provided does show the earlier 'CREE' trade mark being used with additional figurative elements (those marks have been presented above in paragraph 16). I find, however, that there is substantial use of the word 'CREE' being used alone on much of the material provided by the cancellation applicant.
30. I find also, that the use of the first figurative mark shown above, is an acceptable variant use of the earlier mark, as the lettering in that mark is presented in a purely heavy bold, blue typeface, which does not alter the distinctive character of the word 'CREE'. The addition of a diamond shaped figurative element in that mark, also does nothing to alter the distinctive character of the word 'CREE'.
31. I do not however find the use of the second figurative mark to be acceptable variant use of the plain word 'CREE'. The addition of horizontal stripes across the letters in the word 'CREE', combined with the use of two different shades of blue in the second figurative mark does, in my opinion, alter the distinctive character of the registered plain word.
32. In conclusion, whilst the use of the second figurative mark by the cancellation applicant has been found to be an unacceptable variant of its registered word mark, the evidence has shown substantial use of both the plain word 'CREE' and the first figurative mark, which has been found to be an acceptable variant mark.
33. The evidence of use shows that the mark 'CREE' has been used across the relevant territory since at least 2011.

34. The samples of sales invoices show that the cancellation applicant has sold a range of LED lighting products including LED modules, high-power, high-brightness LEDs; LED spotlights; LED lighting; LED recessed Luminaires; LED canopies and soffits; LED lighting solutions; LED area lighting solutions; adjustable and direct mount LED lighting; LED area Luminaires; LED high output area and flood Luminaires; LED lighting for car parks, streets and roads, municipal and residential areas and LED flat panels, as well as a range of ancillary/complementary goods, including wafer products; LED rack fixtures for spotlights; silicon carbide power modules; rectifiers; LED chips; semiconductors; LED power supplies; power module gate driver boards; discrete semiconductors; RF JFET Transistors; Schottky diodes and rectifiers; RF amplifiers and LED emitters; under the 'CREE' brand across the UK during the relevant period.
35. The marketing and press articles, in combination with the information relating to attendance at trade exhibitions in the UK, show that the cancellation applicant has established a market presence and has actively exploited the 'CREE' range of products in the UK over the relevant period of time.
36. Given the scale and frequency of the use shown, the sales figures and the geographical spread across the UK, I conclude that the evidence shows genuine use of the mark 'CREE'.

Fair specification

37. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose, the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

38. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors*,³ Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is, how would the average consumer fairly describe, the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand,

³ [2016] EWHC 3103 (Ch)

protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46.”

39. In respect of the class 09 goods relied upon, I find that the evidence has shown that the cancellation applicant provides a range of parts, accessories and fittings that are essential and complementary to the LED lighting products that it sells. I conclude that the evidence supports a claim of genuine use on all of the goods relied upon in class 09.

40. In respect of the class 11 goods, I find that the evidence has shown use of the earlier mark on LED lighting products including LED modules, high-power, high-brightness LEDs; LED spotlights and bulbs; LED lighting; LED recessed Luminaires; LED canopies and soffits; LED lighting solutions; LED area lighting solutions; adjustable and direct mount LED lighting; LED area Luminaires; LED high output area and flood Luminaires; LED lighting for car parks, streets and roads, municipal and residential areas and LED flat panels.

41. Having carefully assessed the evidence in relation to the class 11 goods, I do not accept the registered proprietor’s claim (set out above in paragraph 15), that the cancellation applicant’s class 11 goods be limited to “LED lighting, rectifiers, power modules and driver boards all used in respect to canopy and soffit lighting for use in industrial premises, namely, petrol stations, industrial plants, hotels and airports, drop off centres, restaurants and retail outlets, showrooms, hospitals, atriums; street and roadway lighting”.

42. I find this proposed restriction to be unduly narrow in scope. In this regard, I refer back to the findings in *Maier v Asos Plc*:

“...Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered

by the registration.” *Maier v Asos Plc* [2015] EWCA Civ 220 (“Asos”) at [56] and [60].

43. The cancellation applicant provides a wide range of LED lighting apparatus and fixtures. The use of the cancellation applicant’s goods has not been shown to be restricted to the industrial premises that the registered proprietor has claimed. The cancellation applicant’s evidence has shown that it provides lighting products for use in and on buildings, some of which are residential, as well as street and road lighting, and lighting apparatus for use in and on industrial sites such as office premises, commercial premises and petrol/service stations. The evidence also shows use of the earlier mark on light fixtures; LED (light emitting diode) lighting fixtures; light bulbs and spotlights.

44. Consequently, I am of the opinion that the relevant public will consider the scope of the cancellation applicant’s lighting goods to be such that a limitation to a particular subcategory of lighting products, such as that proposed by the registered proprietor, would be unreasonable.

45. The range and scope of the cancellation applicant’s lighting products is sufficiently established in the evidence, that I am satisfied it may rely on the broad term ‘apparatus for lighting’ which encompasses the other specific goods on which it relies.

46. Consequently, the cancellation applicant may rely on all of the goods (set out above in paragraph 4) relied upon in classes 09 and 11 for the purposes of its application for cancellation under section 5(2)(b).

Section 5(2)(b)

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

“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 confusion with the earlier trade mark.”

48. Section 47 states:

“(1) [...]

(2) The registration of a trade mark may be declared invalid on the ground –

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (2) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.”

The principles

49. The following principles are gleaned from the judgments of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V*, Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C3/03, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L.Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) The matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) The average consumer normally perceives the mark as a whole and does not proceed to analyse its various details;

(d) The visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) Nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

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

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

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

(i) Mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) The reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) If the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of goods

50. Some of the contested goods e.g. 'lighting apparatus and installations' are identical to the goods on which the cancellation application is based e.g. 'apparatus for lighting'. For reasons of procedural economy, the Tribunal will not undertake a full comparison of the goods listed above.

51. The examination will proceed on the basis that the contested goods are identical to those covered by the earlier trade mark. If the cancellation applicant fails, even where the goods are identical, it follows that the cancellation applicant will also fail where the goods are only similar.

Average consumer and the purchasing act

52. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

53. 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.”

54. To my mind, the average consumer of the parties’ goods will be both a member of the general public and a professional consumer. Some of the goods at issue are the kinds of goods that a member of the general public will be the natural consumer of, e.g. flashlights, torches, bicycle lights and lights for Christmas trees. Some of the goods at issue can be said to be more specialised and likely to be aimed at a professional consumer, e.g. street lamps, vehicle headlights and lighting installations for air vehicles. However, I find that, for the majority of the goods at issue, the possibility that a consumer of those goods could be either a professional or member of the general public cannot be dismissed.

55. For those goods that can be said to be day-to-day items or impulse purchases, e.g. torches, lights for bicycles or Christmas tree lights, the level of attention paid by the consumer will generally be average. For those goods that can be said to be more specialised, the level of attention will be higher than average due to the likely extra cost involved, and the need to ensure that those goods are fit for purpose. The level of attention may vary between the different groups of consumers depending on the goods being selected, e.g. a professional consumer of Christmas tree lights will likely be buying in bulk or for a particular event or exhibition and will therefore pay slightly higher attention than a member of the public, to ensure best price and suitability for purpose.

56. The cancellation applicant has claimed that the selection and purchase of the goods at issue will be primarily an oral one. Whilst the aural impression of the marks at hand cannot be dismissed, I believe that the selection of the goods at issue will be largely a visual one. For those goods that are of a more specialised nature, e.g. ‘lighting installations for air vehicles’, I do not discount that word of mouth recommendation, ordering at trade counters or discussion over a telephone may play a more significant role. However, I find that, generally, both the professional consumer and the general public, will make a selection based on a visual process.

Comparison of marks

57. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

58. It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

59. The respective trade marks are shown below:

Earlier mark	Later trade marks
CREE	KOHREE Kohree

60. The cancellation applicant's mark is comprised of the plain word 'CREE' in standard capital lettering. The overall impression of the mark lies in its totality.

61. The registered proprietor's marks are comprised of the plain words 'KOHREE' and 'Kohree' presented in standard font and lettering. The overall impression in those marks lies in their totalities.

Visual similarity

62. Visually, the respective marks are similar inasmuch as they all share the final three letters 'REE'. They differ visually in the letters 'KOH', which form the beginning of the later mark, and the initial letter 'C' of the earlier mark. The use of different cases in the later marks is irrelevant when considering notional and fair use of the word 'kohree' and therefore does not affect the visual comparison. The marks are considered to be visually similar to a lower than average degree.

Aural similarity

63. Aurally, the earlier mark will be enunciated as /KREE/. The later mark will be articulated as /KO/REE/. The marks share the sound of a letter 'K' forming the beginning of each mark, and the ending 'REE'. The marks differ aurally in the 'OH' sound present in the middle of the later mark. These marks are considered to be aurally similar to a lower than average degree.

Conceptual similarity

64. The earlier mark 'CREE' has a single meaning, that being the name of an indigenous tribe of people from central Canada. However, in the '*Chorkee*' decision,⁴ Anna Carboni, sitting as the Appointed Person stated:

"I have no problem with the idea that judicial notice should be taken of the fact that the Cherokee Nation is a native American tribe. This is a matter that can easily be established from an encyclopaedia or internet reference sites to which it is proper to refer. But I do not think that it is right to take judicial notice of the fact that the average consumer of clothing in the United Kingdom would

⁴ O/048/08

be aware of this. I am far from satisfied that this is the case. No doubt, some people are aware that CHEROKEE is the name of a native American tribe (the Hearing Officer and myself included), but that is not sufficient to impute such knowledge to the average consumer of clothing (or casual clothing in the case of UK TM no. 1270418). The Cherokee Nation is not a common subject of news items; it is not, as far as I am aware, a common topic of study in schools in the United Kingdom; and I would need evidence to convince me, contrary to my own experience, that films and television shows about native Americans (which would have to mention the Cherokee by name to be relevant) have been the staple diet of either children or adults during the last couple of decades.”

65. Whilst there may be a part of the relevant UK public who will be aware of the fact that the word ‘CREE’ is the name of an indigenous tribe of people from central Canada, there is no evidence that it is widely known, and I am doubtful that that would be the case. I find that the average consumer of the goods at issue in this matter will more likely perceive the earlier mark to be an invented word with no meaning at all.

66. The later mark ‘KOHREE’ is an invented word with no obvious meaning. As such, the later mark has no conceptual identity at all. As the marks at issue have no meaning they can be said to be conceptually neutral.

67. In conclusion, the marks are found to be visually and aurally similar to a lower than average degree, and conceptually neutral.

Distinctive character of the earlier trade mark

68. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the

goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

69. The cancellation applicant has claimed that its earlier mark ‘CREE’ is highly distinctive *per se*. I have found that the mark ‘CREE’ will be perceived as an invented word, and as such, I find that the earlier mark does enjoy a high level of inherent distinctiveness.

70. Whilst the proof of use evidence provided by the cancellation applicant has been found sufficient to prove genuine use of the earlier mark in the UK during the relevant period of time, I do not find that this evidence suggests that the mark ‘CREE’ has acquired an enhanced level of distinctive character. Although the sales figures provided are significant, the evidence does not show the proportion of the cancellation applicant’s market share in the UK. Neither does it provide information as to the amount invested in the marketing and promotion of the ‘CREE’ brand. However, as the earlier mark ‘CREE’ has been found to enjoy an inherently high level of distinctiveness, a finding of enhanced distinctiveness would not have materially improved the cancellation applicant’s position in any event.

Likelihood of Confusion

71. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.
72. Confusion can be direct (which occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks/services down to the responsible undertakings being the same or related).
73. The marks have been found to be visually and aurally similar to a lower than average degree and conceptually neutral.
74. I have proceeded on the basis that the goods are identical.
75. The goods at issue are a mixture of day-to-day products and specialised goods and, as such, the level of attention being paid by the consumer during the selection process will vary from average to higher than average.
76. During the selection process the visual impact of the marks will carry the most weight in the mind of the average consumer, however the aural impression cannot be dismissed.
77. Even though the goods at issue are considered to be identical, the differences between the marks are, I conclude, immediately clear and obvious. Whilst the conceptual position is neutral, and there is therefore no conceptual hook in either mark to distinguish it from the other, the visual and aural differences between the marks at hand are significant. I am satisfied that the relevant public will not mistake the earlier mark for the later one, or vice-versa. I come to this finding having fully considered the impact of imperfect recollection and having taken due note of the

cancellation applicant's reference in submissions to the interdependency principle. I find that, even with an average level of attention being paid during the purchase process, the marks will not be confused, either directly or indirectly.

Conclusion

78. The cancellation application has failed. Subject to any successful appeal, the registered proprietor's trade mark will remain registered.

Costs

79. The registered proprietor has been successful and is entitled to a contribution towards its costs.

80. I bear in mind that the relevant scale is contained in Tribunal Practice Notice ("TPN") 2/2016. I award costs to the registered proprietor as follows:

Considering the statement of case and preparing the counterstatement	£300
Preparing submissions	£300
Considering the evidence of the applicant	£500
<u>Total</u>	<u>£1100</u>

81.I therefore order Cree, Inc. to pay MICMC CO LTD the sum of £1100. The above sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated 29th April 2019

Andrew Feldon

For the Registrar

The Comptroller-General