

BL O/168/20

TRADE MARKS ACT 1994

IN THE MATTER OF
TRADE MARK APPLICATION NO. 3348245
BY GRAM TUBE S.A.
TO REGISTER AS A TRADE MARK:



IN CLASSES 35 & 41

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 415350
BY ESSENTIAL EXPORT, S.A.

BACKGROUND AND PLEADINGS

1. On 24 October 2018, gram tube s.a. (“the applicant”) applied to register the trade mark displayed on the front page of this decision under number 3348245 (“the application”). It was accepted and published in the Trade Marks Journal on 2 November 2018 in respect of the following services:

Class 35: Advertising; Commercial information.

Class 41: Entertainment; Conducting of cultural events.

2. On 4 February 2019, Essential Export, S.A. (“the opponent”) filed a notice of opposition. The opposition is brought under Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) and is directed against class 35 of the application only.

3. Under Section 5(2)(b), the opponent relies upon its European Union trade mark number 15213457, **TOTTO** (“the earlier mark”).¹ The earlier mark was filed on 15 March 2016 and was entered into the register on 22 August 2016. It is registered in respect of a range of goods and services in classes 18, 25 and 35. For the purposes of the opposition, the opponent relies upon the following services:

Class 35: Wholesaling and retailing of goods, business management and administration, for the sale of goods, business management and consultancy in franchises, advertising, except in connection with beach clothing, sports clothing, footwear for practising sports and goods designed for practising sports.

4. The opponent’s mark is an earlier mark, in accordance with Section 6 of the Act, but as it had not been registered for five years or more at the filing date of the application, it is not subject to the proof of use requirements as per Section 6A of the Act.

¹ The opponent had also originally intended to rely upon its European Union Trade Mark number 6212451 for the purposes of the opposition. However, on 10 June 2019 the opponent requested that this mark be removed from the grounds of opposition as it was unable to provide sufficient evidence of proof of use.

5. The opponent argues that the respective services are identical or similar and that the competing trade marks are similar. Based upon these factors, the opponent contends, there exists a likelihood of confusion.

6. The applicant filed a counterstatement denying the grounds of opposition. The applicant argues that the respective services are different and that the competing trade marks “are not in any way similar”. The applicant denies that there is a likelihood of confusion.

7. Both parties have been professionally represented throughout these proceedings; the opponent by The Trademark Cafe Limited and the applicant by Trademarkit LLP.

8. Neither of the parties have filed evidence and only the opponent filed written submissions during the evidential rounds. These submissions will not be summarised but will be referred to as and where appropriate during this decision. Both parties were given the option of a hearing but neither asked to be heard on this matter. Therefore, this decision is taken following a careful perusal of the papers, keeping all submissions in mind.

DECISION

Section 5(2)(b): legislation and case law

9. Section 5(2)(b) of the Act 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.”

10. The following principles are gleaned from the decisions 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 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:

(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 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of services

11. 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”.

12. 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 uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) 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;
- (f) The extent to which the respective goods or services are competitive. This inquiry 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.

13. Moreover, in *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language

unnaturally so as to produce a narrow meaning which does not cover the goods in question."

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

"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."

15. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion 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".

16. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as 'complementary' and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL O/255/13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

17. Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.”

18. For the purposes of considering the issue of similarity of goods and services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Albingia SA v Axis Bank Limited*, BL O/253/18, a decision of the Appointed Person, Professor Phillip Johnson, at paragraph 42).

19. The GC confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, that, even if goods are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):

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

20. The services to be compared are:

Opponent’s services	Applicant’s services
Class 35: Wholesaling and retailing of goods, business management and administration, for the sale of goods, business management and consultancy	Class 35: Advertising; Commercial information.

in franchises, advertising, except in connection with beach clothing, sports clothing, footwear for practising sports and goods designed for practising sports.	
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Class 35: 'Advertising'

21. The opponent has submitted that this term in the application is identical to *'advertising, except in connection with beach clothing, sports clothing, footwear for practicing sports and goods designed for practicing sports'* in the earlier mark. I find favour with the opponent's argument and consider these services identical under the principle in *Meric*.

Class 35: 'Commercial information'

22. The opponent has contended that this term in the application is similar to *'wholesaling and retailing of goods, business management and administration, for the sale of goods, business management and consultancy in franchises'*. The opponent has also argued that these services are complementary.

23. Commercial information can be regarded as any information which details the activities and relationships of industry and trade. As a service, the provider will make this information available to consumers. Business management and administration involve the service provider overseeing all functions related to managing a business in a manner which facilitates an organisation reaching their goals. Business consultancy services are provided by experts or professionals in a specific field with a robust knowledge in a specific subject. The service provider will offer advice relating to the operation of a business, such as strategy, planning or marketing.

24. The respective uses of these services may be somewhat different. That for commercial information services is to acquire such information, regardless of the activity the information will inform, while the purpose of business administration, administration and consultancy services would be to improve the efficiency, success

or general running of the consumer's business. I accept that there is a degree of overlap between the uses of the services in instances where commercial information is acquired by goods retailers or franchises. The users of the respective services are likely to be the same, namely, businesses. While the users of the opponent's services are likely to be retailers of goods or franchise operators, users of the applicant's services from the wider business community could reasonably include these more specific users. In relation to the nature of the acts of service, the respective services would all centre around providing commercial information, whether that be advice specific to a particular business sector or more general information. Likewise, the respective trade channels of the services would be the similar, if not the same. The respective services would be offered on the internet, in business prospectuses or by consultation. The services are competitive to the extent that a consumer may purchase one rather than the other and they can be regarded as belonging to the same sector. I find that the above factors result in at least a medium degree of similarity between the respective services.

The average consumer and the nature of the purchasing act

25. 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 (see *Lloyd Schuhfabrik Meyer*, Case C-342/97).

26. 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.”

27. Due to the nature and purpose of the services at issue, I consider the average consumers of such services to be business users. While the services are available to the general public, the overwhelming majority of consumers are likely to be members of the business community. There is potential for these services to be purchased relatively frequently and, on the whole, the cost of such services will typically require an above average outlay. The act of purchasing these services is not merely casual but is likely to follow a measured thought process. It would be a relatively important choice for the average consumer, to ensure that they acquire the correct information or to receive the most suitable business support. The average consumer would want to ensure that the services they purchase will be provided professionally and will meet their particular business needs. In my view, the purchasing process for these services would predominantly be visual in nature; they are likely to be purchased after viewing information on the internet, in business prospectuses or brochures. However, I cannot discount aural considerations such as word or mouth recommendations or consultations. I am of the opinion that the level of attention of the average consumer of these services would be higher than average.

Comparison of trade marks



28. 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.”

29. It would be wrong, therefore, to artificially dissect the trade marks, 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.

30. The respective trade marks are shown below:

Opponent's mark	Applicant's mark
	

31. The opponent has submitted that the marks are visually highly similar. The opponent has argued that the word “kids” in the applicant’s mark would be perceived as descriptive by the average consumer and, therefore, the comparison ought to focus on the word “TOTOY”. The opponent has also submitted that the verbal element of the applicant’s mark is the most important for the comparison. On this basis, the opponent has contended that the marks are the same length (i.e. five letters) and share the same first three letters (“T-O-T”), which it feels is the most dominant element of the competing marks. The opponent also highlights that the competing marks both contain a letter “O” in the last two letters. In addition, the opponent has asserted that the colours used are comparable, and that this enhances the similarities between the marks. Aurally, the opponent has argued, the marks are virtually identical due to the common, identical syllable at the beginning of the word. The opponent has added that the second elements are short sounds which are pronounced similarly. Conceptually, the opponent has submitted that the competing marks are conceptually neutral.

32. Conversely, the applicant has submitted that the marks are not similar in any way, when considered in as a whole. The applicant has highlighted that its mark is heavily stylised, resulting in the letters appearing like toys or cartoon characters, and that its mark contains the word “kids”. The applicant has also contended that its mark includes a letter “Y” at the end of the word “TOTOY”, which creates a different sound that is not replicated in the earlier mark. The applicant has submitted that the competing marks are not similar visually, aurally or conceptually.

33. The earlier mark consists of the invented word “TOTTO”, presented in a slightly stylised font. The middle “T-T” letters are joined, and the two “O” letters are filled with colour, the first red and the second yellow. The mark possesses a relatively low level of stylisation which may be overlooked by the average consumer. As such, the overall impression of the mark is dominated by the word “TOTTO”.

34. The contested mark is a composite, figurative mark comprised of two elements. The mark contains the invented word “TOTOY” in a highly stylised font. The letters of this word are blue, purple, pink, orange and green in colour and are embellished to such an extent that they arguably present as cartoon characters. Due to the extent of the stylisation, I am not entirely convinced that consumers would immediately perceive this element as a word and it is possible that they would, instead, regard it as a figurative element. In the circumstances, it is difficult to say with any certainty. It is, however, clear that the stylisation is so striking and unique that it plays an important role in the impression of the mark. The overall impression of the mark is dominated by this highly stylised component, which may or may not be perceived as a word (notwithstanding my finding that it is an invented word with no meaning in the English language). Presented below, the word “kids” is much smaller and is presented in a standard typeface, albeit pink in colour. The word “kids” is a common, easily understood word in the English language. Although it does not directly describe a characteristic of the services included in the application, it certainly plays a lesser role in the impression of the mark.

35. Visually, if the word “TOTOY” is identified by consumers, the marks will be similar insofar as they both begin with the same three letters i.e. “T-O-T” and share a letter

“O”, being the fourth letter of the application and the fifth letter of the earlier mark. If it is perceived as a word, the first word of the application will also be similar to the earlier mark to the extent that they are both five letters in length. Nevertheless, the marks are visually different, first and foremost, because of the way the marks are presented. The stylisation in the application is significantly different to that of the earlier mark and is at such a level that, arguably, some consumers may not immediately recognise the word and would instead perceive it as a collection of cartoon characters. In the event that consumers do recognise the word, there are still differences between the marks; the application lacks the double “T-T” letters in the centre of the earlier mark and ends with the letter “Y”, which has no counterpart in the earlier mark. In addition, the application contains the word “kids” and, although it plays a lesser role in the overall impression of the mark, it has no counterpart in the earlier mark. It follows that another point of difference between the marks is that the earlier mark comprises one word while the application consists of two words. Bearing in mind my assessment of the overall impressions, I consider the marks to be visually similar to a low degree.

36. Aurally, the earlier mark comprises a two-syllable word, i.e. (“TOT-TOE”). The aural identity of the application will depend upon whether the word “TOTOY” is identified and articulated by consumers. If identified, it will consist of a two-syllable word followed by a one-syllable word, i.e. (“TOO-TOY-KIDS”) and/or (“TOE-TOY-KIDS”). In this instance, the marks will be aurally similar insofar as they both have a “T” sound at the beginning of each of the first two syllables. However, the marks will aurally diverge as the “O” sound in the first syllable of the earlier mark is short, while it is likely to be more elongated when the applicant’s mark is pronounced. Moreover, the earlier mark ends with an “OE” sound, whereas the first word of the applicant’s mark ends with an “OY” sound. This will also serve as a point of difference between the marks. Furthermore, the applicant’s mark also contains the word “kids”, which has no counterpart in the earlier mark. Taking into account the overall impressions, I consider the marks aurally similar to a low degree. If the word “kids” is not verbalised by consumers, as the opponent has asserted, then I find the marks aurally similar to a medium to low degree. Nevertheless, in the event that consumers do not identify the word “TOTOY”, the application will comprise a one-syllable word (“KIDS”). This will render the competing marks aurally dissimilar.

37. Conceptually, neither the word “TOTTO” nor “TOTOY” have any obvious meaning per se and, as such, would likely be understood by the average consumer as invented terms. The earlier mark is conceptually neutral. In respect of the applicant’s mark, while the word “TOTOY” itself is conceptually neutral, the combination of the cartoonish stylisation and the inclusion of the word “kids” will create a casual association with children in the mind of the consumer. On this additional basis, I find the marks conceptually dissimilar.

Distinctive character of the earlier trade mark

38. 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).”

39. The opponent has submitted that the earlier mark is a “coined word with no meaning” when applied to the services at issue. The opponent has contended that the mark has a high degree of distinctive character. I have no submissions from the applicant regarding the distinctiveness of the earlier mark.

40. As the registration process for the earlier mark was not completed five years or more before the application date of the application, the opponent has not been required to provide proof of use. Neither the opponent nor the applicant have filed evidence in this matter. Consequently, I have only the inherent position to consider.

41. Registered trade marks possess varying degrees of inherent distinctive character. These range from the very low, such as those which are suggestive or allusive of the goods or services, to those with high inherent distinctive character, such as invented words. Dictionary words which do not allude to the goods or services will be somewhere in the middle.

42. The earlier mark consists of the word “TOTTO” which is neither descriptive nor allusive of the goods but, rather, appears to be an invented word. The mark is also stylised, albeit to a relatively low level. I find that the earlier mark possesses a high degree of inherent distinctive character.

Likelihood of confusion

43. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where 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 goods, and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier trade mark, the average consumer for the goods and services and the nature of the purchasing process. In doing so, I must be alive to 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 that they have retained in their mind.

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

45. In *L&D SA v OHIM* [2008] E.T.M.R. 62, the CJEU stated that:

“55 Furthermore, inasmuch as L & D further submits that the assessment of the Court of First Instance, according to which the silhouette of a fir tree plays a predominant role in the ARBRE MAGIQUE mark, diverges from the case-law of the Court of Justice, it need only be stated that, contrary to what the appellant asserts, that case-law does not in any way show that, in the case of mixed trade marks comprising both graphic and word elements, the word elements must systematically be regarded as dominant.”

46. Earlier in this decision I concluded that:

- The services of the competing marks, where not identical, are similar to a medium degree;
- The average consumers of the services are likely to be members of the business community who would demonstrate a higher than average level of attention during the purchasing act;
- The purchasing process for the respective services would be predominantly visual in nature, though I have not discounted aural considerations;
- The overall impression of the earlier mark would be dominated by the word “TOTTO”, with the stylisation playing a lesser role;
- The overall impression of the applicant’s mark would be dominated by the stylised element, which may or may not be identified as a word, while the word “kids” plays a lesser role;

- The competing trade marks are visually similar to a low degree, aurally similar to a low to medium degree and conceptually dissimilar;
- The earlier mark possesses a high level of inherent distinctive character.

47. I appreciate that I have found the respective services to be identical or similar to a medium degree and that I have found the earlier mark to be highly distinctive. Nevertheless, I must bear in mind the level of attention paid by consumers of the services, which would be higher than average. As such, consumers are more likely to notice any differences between the marks.

48. There are visual, aural and conceptual differences between the marks which, to my mind, would not be overlooked by the average consumer during the purchasing process. The stylisation present in the respective marks is strikingly different and, although verbal elements are sometimes more significant than figurative ones, the applicant's mark is presented in such a unique manner that this will be retained by the average consumer. This cannot be said for the earlier mark, for which the word is the overwhelmingly dominant element. The application also contains the word "kids" and, while it is accepted that the word has a relatively low degree of inherent distinctiveness alone, I do not find favour with the opponent's argument that it is descriptive of the contested services and would thus be overlooked by the average consumer; the word has no counterpart in the earlier mark and serves to further distinguish the competing marks. In the event that the services are purchased aurally, there are differences in how the marks would be articulated sufficient to distinguish one mark from the other. Conceptually, the earlier mark is neutral, while the applicant's mark will conjure a child-like association in the mind of the consumer.

49. In my view, when considering all the above factors, the various differences between the competing trade marks previously outlined are likely to be sufficient to avoid the average consumer mistaking one trade mark for the other. It follows that, even when factoring in the principles of imperfect recollection and interdependency, there will be no direct confusion.

50. That leaves indirect confusion to be considered. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

51. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

52. Applying the principles from the case law, due to the differences between the marks outlined above, I do not believe that the average consumer will assume the opponent and the applicant are economically linked undertakings on the basis of the competing trade marks. The differences between the marks are not conducive to a logical brand extension. I am not convinced that consumers would assume a commercial association between the parties, or sponsorship on the part of the opponent, simply due to the common element “T-O-T” and the fact that the earlier mark and the first word of the applicant’s mark are five letters in length. The differences between the marks do not strike me as those routinely used for brand extensions and, in my view, it is unlikely that the competing marks would be perceived in this way. Even in the unlikely event that the applicant’s mark brings to mind the earlier mark in the memory of the average consumer, this will be mere association and nothing more. It follows that there is no likelihood of indirect confusion.

CONCLUSION

53. The opposition under Section 5(2)(b) of the Act has failed. Subject to any successful appeal, the application will become registered for the full range of services applied for.

COSTS

54. As the opposition has been unsuccessful, the applicant is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016.

This decision has been taken from the papers without an oral hearing. The applicant did not file evidence in these proceedings, nor did it file any written submissions in lieu of a hearing. In the circumstances I award the applicant the sum of **£200** as a contribution towards the cost of considering the opponent's statement and preparing a counterstatement.

55. I therefore order Essential Export, S.A. to pay gram tube s.a. the sum of **£200**. This should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 16th day of March 2020

James Hopkins
For the Registrar,
The Comptroller General