

BLO/206/20

TRADE MARKS ACT 1994

**IN THE MATTER OF
INTERNATIONAL REGISTRATION DESIGNATING THE UK NO. 1454044
BY LEMONCHA SÀRL
TO REGISTER AS A TRADE MARK:**

LEMONCHA

IN CLASSES 21, 29, 30, 32 & 43

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 416545
BY LEMONAID BEVERAGES GMBH**

BACKGROUND AND PLEADINGS

1. On 26 November 2018, Lemoncha Sàrl (“the applicant”) applied to protect the International Trade Mark displayed on the cover page of this decision, under number 1454044 (“the designation”). Protection was granted in the UK and the designation was published in the Trade Marks Journal on 15 March 2019 in respect of the following goods and services:

Class 21: Teapots (non-electrical) made from metal, copper, ceramic, porcelain and glass; thermally insulated containers for beverages; cups; glasses; goblets; bowls; saucers; coasters not of paper and other than table linen; iced tea dispensers; tea accessories, namely mixers (cooking whisks), strainers, scoops, tea bags, tea infusers, tea cosies, tea containers; wooden tea kits, comprising of a mini mixer (cooking whisk), tongs for removing hot lids, a tea saucer, half a teaspoon, a matcha saucer for use in the Japanese tea ceremony (Chashaku) as well as bamboo containers; tea caddies; trivets; serving trays; porcelain, glass, crystal, earthenware or terracotta sculptures; porcelain, glass, crystal, earthenware or terracotta figurines; porcelain, glass, crystal, earthenware or terracotta decorative ornaments; tea services; tea strainers; tea filters; tea infusers.

Class 29: Soy milk; hazelnut milk; rice milk; almond milk; coconut milk; oat milk; Milk -based beverages, almond milk, coconut milk, hazelnut milk, soya milk, oak milk, rice milk.

Class 30: Meal substitutes based on coffee, tea, cocoa, sugar, rice, tapioca, sago, including in powder form for mixing with a liquid; coffee-based beverages containing milk; chocolate-based beverages; chocolate-based beverages with milk; tea-based beverages; tea-based beverages with fruit flavoring; tea-based beverages containing fruit flavors; chocolate-based beverages with milk; prepared cocoa-based beverages; prepared coffee-based beverages; prepared cocoa beverages; beverages made with coffee, tea, iced tea, tea-based beverages; pastry, confectionery, edible ices, ice for refreshment; green

tea; tea without theine with added sweeteners; tea without theine; oolong tea; black tea; instant tea; iced tea; lime tea; chai tea; white tea; lime tea; tea; tea substitutes; coffee, tea, cocoa, sugar, flours, cereals, rice, tapioca, sago-based substances and extracts for use in dieting included in this class; food preparations and meal substitutes other than for medical use based on coffee, tea, cocoa, sugar, flours, cereals, rice, tapioca, sago; tea-based preparations; coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; Tea and tea blends; herbal tea-based beverages; tea, herbal tea and fruit flavoring-based frozen confectionery; cocoa, tea and herbal tea; tea, cocoa; powdered chocolate-based beverages; chocolate syrup; ready-to-drink tea; ice cream and frozen confectionery, namely ice cream, ice milk, frozen yogurt, frozen soya-based desserts; sweets and confectionery, namely chocolate, sugar, almond confectioneries and frozen confectionery; bakery products, namely muffins, scones, biscuits, cookies, pastries and breads; snack bars, namely cereal-based snack bars and oat-based snack bars; sugar; spices; honey; tea-based liquid formulations.

Class 32: Non-alcoholic beverages, fruit-flavored, tea-flavored; fruit beverages and juices; fruit concentrates and purees used as ingredients for beverages; syrups and concentrates for making mixed fruit-based drinks; fruit juice-based sparkling beverages and sodas; powdered drink mixes for making fruit-based beverages; carbonated beverages; energy drinks; non-alcoholic beverages; flavored syrups to add to beverages; flavored syrups for making beverages; soya-based beverages other than milk substitutes.

Class 43: Restaurant, café, cafeteria, snack bar, tea bar and tea room; restaurant serving takeout meals and restaurant services selling takeout meals; food and drink catering services; catering services for the provision of subscription meals; food and beverage preparation services.

2. On 10 June 2019, (“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 all goods and services in the designation.¹

3. The opponent relies upon two European Union Trade Marks (“the earlier marks”), the relevant details of which are displayed below:

EU013191267 (“the 267 mark”)	EU013193271 (“the 271 mark”)
<p style="text-align: center;">LEMONAID</p> <p>Filing date: 21 August 2014 Registration date: 8 December 2014 Word-only mark</p>	<p style="text-align: center;">LEMONAID⁺</p> <p>Filing date: 22 August 2014 Registration date: 8 December 2014 Figurative mark</p>

4. The earlier marks are both registered in respect of the following goods:

Class 25: Clothing; Headgear; Footwear.

Class 32: Beer and brewery products; Non-alcoholic beverages; Preparations for making beverages.

Class 33: Alcoholic beverages (except beer); Preparations for making alcoholic beverages.

5. The opponent relies upon all the goods registered in classes 25, 32 and 33 for the purposes of the opposition.

6. The opponent’s marks are earlier marks, in accordance with Section 6 of the Act, but as they had not been registered for five years or more at the date of designation, they are not subject to the proof of use requirements as per Section 6A of the Act.

¹ The opposition was originally based upon Section 5(3) of the Act in addition to Section 5(2)(b). However, the opponent withdrew reliance on this particular ground in its submissions of 1 October 2019 and requested for the opposition to proceed on the basis of Section 5(2)(b) only.

7. The opponent contends that there is a high level of similarity between the competing marks and that the respective goods and services are either identical or closely similar. The opponent argues that these factors result in a likelihood of confusion.

8. The applicant filed a counterstatement denying the grounds of opposition. The applicant argues that there are differences between the competing trade marks, resulting in there being only a low level of similarity. The applicant concedes that some of the goods are similar, but to varying degrees, while it denies similarity for other goods and services. Despite its concession of similarity in respect of some goods, the applicant contends that there is no likelihood of confusion, largely due to the competing marks being “too dissimilar”.

9. Both parties have been professionally represented throughout these proceedings; the opponent by Bird & Bird LLP and the applicant by Ashfords LLP.

10. Neither of the parties have filed evidence but both filed submissions in lieu of an oral hearing. These 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.

PRELIMINARY ISSUE

11. In its submissions, the opponent has argued that:

Further, it should be mentioned that the Opponent is well-known for its association with ChariTea (see <https://lemon-aid.de/en/blog-en/charitea/>). It is therefore possible that the public would perceive the Contested Mark as a combination of the marks LEMONAID and CHARITEA, thereby being confused as to the source of the Contested Goods and Services. As the Opponent owns a charitable organisation (The LemonAid and ChariTea Foundation’s website in English can be found at <https://lemonaid-charitea-ev.org/en/>), the use and/or registration of identical or similar marks has the potential to damage the number of donations it receives.

12. At this early juncture, I would like to point out that the opponent's comments about its charitable organisation and that the designation could be perceived as a combination of "CHARITEA" and "LEMONAID" will, as a matter of law, have no bearing on the outcome of this opposition. The opponent has not sought to rely upon any "CHARITEA" trade marks for the purposes of these proceedings; the opponent has brought this opposition on the basis of the earlier marks displayed above alone under Section 5(2)(b) of the Act. My assessment later in this decision must take into account only the applied for mark – and its specification – and any potential conflict with the opponent's earlier marks which it relies upon for the opposition. My decision as to whether there is a likelihood of confusion under Section 5(2)(b) of the Act must be based on an objective assessment of the relevant factors, which will be discussed below. Consequently, the comments made by the opponent regarding "CHARITEA" are considered extraneous to these proceedings and will not have any bearing on my decision.

DECISION

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

13. 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."

14. 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 goods and services

15. 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”.

16. 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.

17. 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."

18. 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.”

19. 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”.

20. 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.”

21. 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.”

22. 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).

23. 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”.

24. The goods and services to be compared are:

Opponent's goods	Applicant's goods and services
Class 25: Clothing; Headgear; Footwear. Class 32: Preparations for making beverages; Non-alcoholic beverages; Beer and brewery products. Class 33: Alcoholic beverages (except beer); Preparations for making alcoholic beverages.	Class 21: Teapots (non-electrical) made from metal, copper, ceramic, porcelain and glass; thermally insulated containers for beverages; cups; glasses; goblets; bowls; saucers; coasters not of paper and other than table linen; iced tea dispensers; tea accessories, namely mixers (cooking whisks), strainers, scoops, tea bags, tea infusers, tea cosies, tea containers; wooden tea kits, comprising of a mini mixer (cooking whisk), tongs for removing hot lids, a tea

	<p>saucer, half a teaspoon, a matcha saucer for use in the Japanese tea ceremony (Chashaku) as well as bamboo containers; tea caddies; trivets; serving trays; porcelain, glass, crystal, earthenware or terracotta sculptures; porcelain, glass, crystal, earthenware or terracotta figurines; porcelain, glass, crystal, earthenware or terracotta decorative ornaments; tea services; tea strainers; tea filters; tea infusers.</p> <p>Class 29: Soy milk; hazelnut milk; rice milk; almond milk; coconut milk; oat milk; Milk -based beverages, almond milk, coconut milk, hazelnut milk, soya milk, oak milk, rice milk.</p> <p>Class 30: Meal substitutes based on coffee, tea, cocoa, sugar, rice, tapioca, sago, including in powder form for mixing with a liquid; coffee-based beverages containing milk; chocolate-based beverages; chocolate-based beverages with milk; tea-based beverages; tea-based beverages with fruit flavoring; tea-based beverages containing fruit flavors; chocolate-based beverages with milk; prepared cocoa-based beverages; prepared coffee-based beverages; prepared cocoa beverages; beverages made with coffee, tea, iced tea, tea-based beverages; pastry, confectionery,</p>
--	---

	<p>edible ices, ice for refreshment; green tea; tea without theine with added sweeteners; tea without theine; oolong tea; black tea; instant tea; iced tea; lime tea; chai tea; white tea; lime tea; tea; tea substitutes; coffee, tea, cocoa, sugar, flours, cereals, rice, tapioca, sago-based substances and extracts for use in dieting included in this class; food preparations and meal substitutes other than for medical use based on coffee, tea, cocoa, sugar, flours, cereals, rice, tapioca, sago; tea-based preparations; coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; Tea and tea blends; herbal tea-based beverages; tea, herbal tea and fruit flavoring-based frozen confectionery; cocoa, tea and herbal tea; tea, cocoa; powdered chocolate-based beverages; chocolate syrup; ready-to-drink tea; ice cream and frozen confectionery, namely ice cream, ice milk, frozen yogurt, frozen soya-based desserts; sweets and confectionery, namely chocolate, sugar, almond confectioneries and frozen confectionery; bakery products, namely muffins, scones, biscuits, cookies, pastries and breads; snack bars, namely cereal-based snack bars and oat-based snack bars; sugar; spices; honey; tea-based liquid formulations.</p>
--	---

	<p>Class 32: Non-alcoholic beverages, fruit-flavored, tea-flavored; fruit beverages and juices; fruit concentrates and purees used as ingredients for beverages; syrups and concentrates for making mixed fruit-based drinks; fruit juice-based sparkling beverages and sodas; powdered drink mixes for making fruit-based beverages; carbonated beverages; energy drinks; non-alcoholic beverages; flavored syrups to add to beverages; flavored syrups for making beverages; soya-based beverages other than milk substitutes.</p> <p>Class 43: Restaurant, café, cafeteria, snack bar, tea bar and tea room; restaurant serving takeout meals and restaurant services selling takeout meals; food and drink catering services; catering services for the provision of subscription meals; food and beverage preparation services.</p>
--	--

Class 21

25. *‘Teapots (non-electrical) made from metal, copper, ceramic, porcelain and glass; thermally insulated containers for beverages; cups; glasses; goblets; bowls; saucers; coasters not of paper and other than table linen; iced tea dispensers; tea accessories, namely mixers (cooking whisks), strainers, scoops, tea bags, tea infusers, tea cosies, tea containers; wooden tea kits, comprising of a mini mixer (cooking whisk), tongs for removing hot lids, a tea saucer, half a teaspoon, a matcha saucer for use in the Japanese tea ceremony (Chashaku) as well as bamboo containers; tea caddies; trivets; serving trays; tea services; tea strainers; tea filters; tea infusers’* are all

examples of kitchenware. Therefore, these goods can be grouped together for the purposes of the comparison as they are all sufficiently comparable to be assessed in essentially the same way and for the same reasons.

26. The opponent has argued that these goods are “closely similar” to the goods covered by classes 32 and 33 of the earlier marks. The opponent has contended that these goods are complementary insofar as beverages “could not be consumed without such goods”. The opponent has also asserted that the end users of the respective goods are the same and that some of the goods are often manufactured and sold together, by the same undertaking.

27. I do not agree. The respective uses differ in that those in the designation would be for preparing food and drink, while those in classes 32 and 33 of the designation would be for consumption. The physical natures of the goods are also very different. The respective trade channels through which the goods reach the market may diverge, though I do accept a degree of overlap in some circumstances. The applicant’s goods may reach the market through more specialist homeware and kitchenware retail establishments that do not typically offer beverages or preparations therefor. However, it is possible that the respective goods would all reach the market via supermarkets. Nevertheless, the goods are all self-serve consumer items and, in practice, they are not likely to be found on the same shelves or in close proximity to each other. The respective goods are not competitive in the sense that a prospective consumer of beverages or preparations therefor would not select any of the applicant’s goods in class 21 instead.

28. In respect of the opponent’s argument that the respective goods are complementary, I do not consider these goods of the designation indispensable to the use of the opponent’s goods in such a way that consumers would assume that the responsibility for the goods lies with the same undertaking. I accept that goods/services can be found to be complementary where their natures are very different, though on this occasion it is considered that this is not the case. Following the rationale established in *Sandra Amelia Mary Elliot v LRC Holdings Limited* regarding a comparison between wine and wine glasses, it may well be the case that some of these goods may be used with beverages, but it does not follow that they are

similar for trade mark purposes. I find these goods of the designation to be dissimilar to those of the earlier marks.

29. *'Porcelain, glass, crystal, earthenware or terracotta sculptures; porcelain, glass, crystal, earthenware or terracotta figurines; porcelain, glass, crystal, earthenware or terracotta decorative ornaments'* can also be grouped together for the purposes of the comparison. These goods clearly have very different purposes, uses, users and physical natures to the goods protected by the earlier marks. They will typically reach the market through much different trade channels to those encompassed by the earlier marks and it is highly unlikely that they would be found on the same shelves or in the same retail establishments. When confined to their substance, the goods are in no way competitive. Neither do I consider them complementary; there is no close connection between the goods and they are not indispensable to the use of any of the opponent's goods. In my view, it is not a reasonable argument that consumers would assume that the responsibility for these goods and the opponent's goods lies with the same undertaking. Therefore, I consider these goods dissimilar to those of the earlier marks.

Class 29

30. The goods that appear in class 29 of the designation can all be grouped together as non-dairy alternatives to milk. The opponent has argued that these goods are "closely similar" to those contained in class 32 of the earlier marks, namely, 'non-alcoholic beverages'. The opponent has contended that these respective goods are identical in nature, intended purpose and end users, and they also share distribution channels. Moreover, the opponent has asserted that, due to their close proximity, the goods are in direct competition. Conversely, the applicant has disputed that the goods are closely similar and has argued that the milk alternatives are highly specialised and do not appear within the same supermarket aisles as the opponent's goods. Furthermore, the applicant has contended that the nature of their goods is such that producers of general soft drinks do not typically produce milk alternatives; the applicant has also submitted that the target consumers of the respective goods are different.

31. I find favour with the applicant's remarks that there are often differences in the production and origin of the respective goods. However, the respective uses of the goods converge as they are all commonly used to quench thirst, or to accompany a meal. It follows that the users are likely to be the same, even when accounting for more specific users of the applicant's class 29 goods who may be seeking non-dairy alternatives. I accept that the physical natures of the respective goods are somewhat different, though they are all considered beverages with a shared intended purpose and method of use. The way in which the respective goods reach the market are likely to be through the same distribution channels, most commonly through shops and supermarkets. It is noted that the goods are all self-serve consumer items and that they are not commonly found, or likely to be found, in a shared vicinity or on the same shelves; the goods are typically displayed in much different parts of supermarkets. I do not accept in an unqualified sense that the goods are in direct competition; a non-dairy milk alternative is not the most logical choice for a consumer seeking a soft drink, though I cannot discount this entirely as the goods are all beverages. Taking into account my findings above, I find the goods similar to a low degree.

Class 30

32. *'Coffee-based beverages containing milk; chocolate-based beverages; chocolate-based beverages with milk; tea-based beverages; tea-based beverages with fruit flavoring; tea-based beverages containing fruit flavors; chocolate-based beverages with milk; prepared cocoa-based beverages; prepared coffee-based beverages; prepared cocoa beverages; beverages made with coffee, tea, iced tea, tea-based beverages; green tea; tea without theine with added sweeteners; tea without theine; oolong tea; black tea; instant tea; iced tea; lime tea; chai tea; white tea; lime tea; tea; tea substitutes; coffee, tea, cocoa for use in dieting included in this class; tea-based preparations; coffee, tea, cocoa and artificial coffee; Tea and tea blends; herbal tea-based beverages; cocoa, tea and herbal tea; tea, cocoa; powdered chocolate-based beverages; ready-to-drink tea; tea-based liquid formulations'* are all beverages or preparations therefor.

33. The opponent has argued that these goods are also "closely similar" to those of the earlier marks. The opponent has similarly contended that the respective goods are

identical in nature, consumed by the same users, are in competition and share distribution channels. In addition, the opponent has asserted that consumers are aware that the respective goods can be manufactured and sold by the same entities. The applicant has conceded “some low degree of similarity” between these goods and those of the earlier marks.

34. There are close points of contact between the respective goods in their natures, respective uses and users, all being beverages. The goods in the designation cover hot drinks but also non-alcoholic cold drinks such as iced tea and iced coffee. The respective goods all generally reach the market in the same way through common trade channels, namely shops and supermarkets. Although these self-serve consumer items are sometimes located in different parts of supermarkets, they are sometimes found in close proximity too. The goods in comparison can complement each other since tea, coffee and cocoa are popular flavourings in flavoured non-alcoholic beverages. I accept that the production and the ingredients used can differ, though the respective goods are also competitive insofar as they are all suitable for quenching thirst or as pleasure, meeting the same consumer needs. Considering the above, I find the goods in comparison similar to a medium degree.

35. *‘Meal substitutes based on coffee, tea, cocoa, sugar, rice, tapioca, sago, including in powder form for mixing with a liquid; pastry, confectionery, edible ices, ice for refreshment; sugar, flours, cereals, rice, tapioca, sago-based substances and extracts for use in dieting included in this class; food preparations and meal substitutes other than for medical use based on coffee, tea, cocoa, sugar, flours, cereals, rice, tapioca, sago; rice; tapioca and sago; tea, herbal tea and fruit flavoring-based frozen confectionery; chocolate syrup; ice cream and frozen confectionery, namely ice cream, ice milk, frozen yogurt, frozen soya-based desserts; sweets and confectionery, namely chocolate, sugar, almond confectioneries and frozen confectionery; bakery products, namely muffins, scones, biscuits, cookies, pastries and breads; snack bars, namely cereal-based snack bars and oat-based snack bars; sugar; spices; honey’* are all items of confectionery, foodstuffs or ingredients for foodstuffs.

36. The opponent has argued that these goods are complementary to those contained in the earlier marks as they are regularly consumed with a beverage. The opponent

has asserted that the intended purposes of the respective goods are the same, namely, to refresh and provide energy to the consumer. Additionally, the opponent has maintained that the goods have the same end users and are often sold through the same distribution channels. The opponent has also argued that the respective goods are often manufactured, produced and sold by the same undertaking. Finally, the opponent has asserted that the respective goods are all consumable and edible and thus have the same nature. On the contrary, the applicant has argued that the goods are dissimilar. The applicant has submitted that the goods have different natures and do not serve the same purpose. The applicant has argued that the respective goods are not substitutable and rarely have the same producers. The applicant has also contended that the goods are commonly found in different sections of supermarkets and retail stores.

37. In my view, the respective uses of the goods in comparison are different; that of the earlier marks are to quench thirst, or for enjoyment, while that of the designation is to satisfy hunger. It follows that the respective users are also different; those purchasing the opponent's goods will be seeking refreshment from a non-alcoholic beverage or pleasure from an alcoholic beverage, while those purchasing the applicant's goods will be those in hunger. The physical natures of the respective goods are significantly different, contrary to the opponent's argument. The opponent's goods are liquid beverages, some alcoholic, while the applicant's goods are, generally, solid foodstuffs. The goods in comparison are pointedly different in terms of their form, appearance and substance. I accept that there may be a degree of overlap in terms of how the goods reach the market and, in some circumstances, may be the same (when offered in shops, cafeterias or supermarkets, for example). Even so, it is commonplace for these goods to be self-selected by consumers and are, in practice, likely to be found in different places but rarely in close proximity. The goods cannot reasonably be said to be in competition; a consumer seeking refreshment or pleasure from a beverage, whether it be alcoholic or not, will not logically select one of the applicant's goods as a replacement. In respect of complementarity, while I accept that they are sometimes consumed together, I do not consider the goods in comparison indispensable or important to each other in such a way that consumers would think that the responsibility for them lies with the same undertaking. The goods are not typically produced by the same undertakings and the opponent has not filed any

evidence to demonstrate the alternative. Taking all of the above into account, I find the goods in comparison dissimilar.

Class 32

38. The term '*non-alcoholic beverages*' appears within the class 32 specification of the designation and the earlier marks. These goods are self-evidently identical.

39. The remaining goods contained within this class of the designation can all be said to fall within the scope of the broader terms '*non-alcoholic beverages*' and '*preparations for making beverages*' of the earlier marks. Therefore, I find these goods identical under the principle in *Meric*.

Class 43

40. '*Restaurant, café, cafeteria, snack bar, tea bar and tea room; restaurant serving takeout meals and restaurant services selling takeout meals; food and drink catering services; catering services for the provision of subscription meals; food and beverage preparation services*' are all services involving the preparation and provision of food and drinks.

41. The opponent has argued that these services are "heavily complementary" when compared to the goods contained in classes 32 and 33 of the earlier marks as they rely upon the existence of food and drink. Moreover, the opponent has contended that non-alcoholic beverages are often produced and manufactured by the service providers, and the goods and services in comparison are provided through the same distribution channels. The opponent has submitted that, as a result, the goods and services have at least a low level of similarity. The applicant, however, has highlighted that no evidence has been provided by the opponent to demonstrate that consumers would assume that responsibility for these goods and services lies with the same undertaking. In addition, the applicant has argued that, even if these types of service providers rely upon food and drink products, it does not establish that consumers would assume they are from the same or a linked undertaking. Contrary to the opponent's argument, the applicant has submitted that it is more common for these

service providers to serve drinks that have been produced by other undertakings, while examples of own-brewed beer and coffee are merely the exception to the rule.

42. In *Group Lottus Corp., SL v OHIM*, Case T-161/07, the GC held that there was a “lesser” [low] degree of similarity between beers and bar, nightclub and cocktail bar services. I am of the opinion that the same finding can be made in respect of the goods and services at issue. The physical nature of the goods and services are drastically different, though there is some crossover in terms of end users and the way in which the goods and services reach the market. The goods and services at issue would be sought by the same consumers, whether they are purchased to be consumed at home or at a restaurant. Although beverages are commonly purchased at shops and supermarkets, it is reasonable to say that they also reach the market through these kinds of service providers. There is a degree of competition insofar as a consumer may select the beverages from a retail establishment or choose to frequent one such service provider for their refreshment or pleasure instead. In relation to complementarity, while I accept that providing beverages as a service would be difficult to achieve without the goods themselves, I am not entirely convinced that it is a market norm for these kinds of service providers to offer their own beverages. I find favour with the applicant’s argument that it is more typical for them to offer beverages produced by other manufacturers. There is undoubtedly a close connection between the goods and services, but I do not agree with the opponent that they are indispensable in such a way that consumers would assume that responsibility lies with the same undertaking. On balance, I find the applicant’s services similar to the goods of the earlier marks to a low degree.

The average consumer and the nature of the purchasing act

43. 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).

44. 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.”

45. The goods and services at issue are available to the general public and are ordinary purchases consisting of kitchenware, food, beverages, or casual dining experiences. Due to their nature, they are likely to be frequent purchases for the purposes of facilitating food or drink preparation, satisfying thirst and hunger, or for enjoyment. The cost of such goods and services may vary but would not typically be a significant outlay. The purchasing of these goods and services is likely to be more casual than careful; it is typically led by desire or individual taste and is, therefore, not considered to be a dramatically important choice for the consumer. Where consumers have particular dietary requirements, it is considered that the selection of goods or services would be more important. However, consumers with particular dietary requirements will comprise a relatively small section of the overall consumer group. In my view, the purchasing process for these goods and services would predominantly be visual in nature; the goods are likely to be purchased after perusing shelves in retail outlets, viewing information on the internet or in advertisements, while the services are likely to be purchased upon sight of the establishment, after perusing a menu, viewing information on the internet or advertisements. However, I cannot discount aural considerations such as word of mouth recommendations. I find that the level of attention of the general public in respect of these goods and services would be average.

Comparison of trade marks

46. 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.”

47. 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.

48. The respective trade marks are shown below:

Earlier trade marks	Applicant's mark
LEMONAID	LEMONCHA
LEMONAID⁺	

49. The opponent has argued that the competing trade marks are visually and phonetically similar to a high degree and conceptually identical. The opponent has submitted that none of the competing marks have a single dominant or distinctive element and, therefore, should be assessed as a whole. Visually, the opponent has highlighted that the marks share the word “LEMON” at the beginning and that consumers pay more attention to the beginning of marks. As such, the opponent has contended that the differences appearing at the ends of the marks would not suffice to negate the overall similarities. The opponent has also submitted that the “+” device at the end of the 271 mark does not alter its visual identity and ought to be considered a “secondary element”. Aurally, the opponent rests the high level of similarity with the identical common element “LEMON”, which is followed by a short, one-syllable ending in all competing marks. The opponent has argued that the “+” device would not be pronounced by the public. Conceptually, the opponent has maintained that the competing marks will be understood by consumers as meaning lemon-flavoured beverages and, on this basis, has concluded that the marks are conceptually identical.

50. On the other hand, the applicant has argued that the differences between the competing marks are such that there is only a low similarity between them. The applicant has submitted that “LEMON” is the least distinctive element of the earlier marks and has, therefore, argued that it is incapable of attracting the consumer’s attention. As such, the visual comparison, the applicant maintains, ought to be focussed on the remaining elements of the competing marks which should lead to a finding of dissimilarity. The applicant has highlighted that the remaining elements are also aurally dissimilar. Furthermore, the applicant has contended that the average consumer would, in contrast to the opponent’s view, pronounce the “+” device in the 271 mark as the word “plus”, further distinguishing the competing marks. Conceptually, the applicant has argued that the designation has no meaning in the English language, while the earlier marks would either be understood as the soft drink lemonade or a pun on the same “suggesting aid via lemons”. The applicant has noted that this conceptual element is missing from the designation and there is “no discernible conceptual similarity” between the competing marks.

51. The 267 mark is a plain word consisting of the word “LEMONAID” with no other elements. Although the mark is conjoined, “LEMON” and “AID” are two common, easily

understood words in the English language. This, and their particular formation, means that the average consumer will still identify them as two individual words; with or without a space between them, they will still be perceived as the words “LEMON” and “AID”. Both words have a roughly equal impact and, together, dominate the overall impression of the mark.

52. The 271 mark is a composite, figurative mark comprising two elements. The mark contains the word “LEMONAID”, presented in a standard typeface. Above and to the right of the verbal element appears a small “+” device. Again, the words “LEMON” and “AID” will still be identified by consumers, despite them being conjoined in the mark. Despite being a figurative mark, the verbal element is presented in a basic, block typeface and, therefore, the overall impression of the mark will be dominated by the words themselves in roughly equal measure. Although the mark also contains a “+” device, it is considerably smaller than the words and will have significantly less impact. As such, the device plays a much lesser role in the impression of the mark.

53. The contested mark is a figurative mark consisting of the word “LEMONCHA”, presented with a very minimal degree of stylisation. In my view, the minor stylisation of the mark would be overlooked by consumers who would, instead, simply perceive it as the word “LEMONCHA”. As this is the only element of the mark, the overall impression is dominated by the word “LEMONCHA”.

54. Visually, the competing marks are similar because they have a common five-letter string “L-E-M-O-N”, in the same order, at the beginning of the marks. The marks are visually different in that the earlier marks end with the letters “A-I-D”, while the contested mark ends with the letters “C-H-A”. The respective endings are very different, though it is established that the attention of the consumer is usually directed to the beginning of words. The marks are also visually different due to the slightly stylised nature of the applicant’s mark. However, as previously explained, this would likely be overlooked by the average consumer. In any event, registration of a word-only mark covers use in any standard typeface, and so any differences created by the minimal stylisation are not significant. In respect of the 271 mark, there is an added visual difference insofar as the mark contains a “+” device, which has no counterpart in the applicant’s mark. However, as outlined above, there is potential for this to be

overlooked by the average consumer. Therefore, the “+” device does not create a significant difference between the marks. Bearing in mind my assessment of the overall impressions, I consider there to be a medium degree of visual similarity between the marks.

55. Aurally, the competing marks consist of three-syllable words, i.e. (“LE-MON-AID”) and (“LE-MON-CHA”). The first two syllables of the competing marks are indistinguishable, while the last syllable of each mark would be articulated very differently. Taking into account the overall impressions, I consider that the marks are aurally similar to a medium degree. In respect of the 271 mark, I am not entirely convinced that consumers would articulate the “+” device as the word ‘plus’, though it is possible. If the device is pronounced as a word, the mark will comprise a four-syllable word, i.e. (“LE-MON-AID-PLUS”). In this eventuality, the marks will be aurally similar to a low to medium degree.

56. Conceptually, the earlier marks contain two common words in the English language which will be given their ordinary and natural meanings. The average consumer would understand the words to be the name of a fruit and help, respectively. The resultant combination would either be understood as a misspelling for the popular soft drink ‘lemonade’, or a pun on the same, characterised by some form of health benefit. The 271 mark also contains the “+” device which would strengthen this conceptual meaning. The device could serve to reinforce the message that the goods offer some form of health benefit, as consumers are accustomed to seeing crosses of this kind as indicators of medicine, health or aid. In respect of the designation, the mark does not have any obvious meaning per se and, as such, would likely be understood by some as an invented term. I do not agree with the opponent’s submission that the average consumer would understand “CHA” as meaning ‘tea’, combining with “LEMON” to provide an overall conceptual message of lemon flavoured tea. I note that the opponent has not provided any evidence to support its assertion that consumers would attach this meaning to the mark. However, although I consider the mark to be an invented word, I feel that it is loosely evocative of the fruit as the word “LEMON” appears within the mark and is a commonly known word. In *Usinor SA v OHIM*, Case T-189/05, the GC found that:

“62. In the third place, as regards the conceptual comparison, it must be noted that while the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Lloyd Schuhfabrik Meyer*, paragraph 25), he will nevertheless, perceiving a verbal sign, break it down into verbal elements which, for him, suggest a concrete meaning or which resemble words known to him (Case T-356/02 *Vitakraft-Werke Wührmann v OHIM – Krafft (VITAKRAFT)* [2004] ECR II-3445, paragraph 51, and Case T-256/04 *Mundipharma v OHIM – Altana Pharma (RESPICUR)* [2007] ECR II-0000, paragraph 57).

63. In the present case, the Board of Appeal correctly found that the signs at issue have a common prefix, ‘galva’, which evokes the technique of galvanisation, that is, the act of fixing an electrolytic layer to a metal to protect it from oxidation.

64. By contrast, the Board of Appeal incorrectly took the view that a conceptual comparison of the second part of the signs was not possible, because the suffixes ‘llia’ and ‘lloy’ were meaningless.

65. That conclusion is based on an artificial division of the signs at issue, which fails to have regard to the overall perception of those signs. As stated in paragraph 59 above, the relevant public, which is French-speaking but has knowledge of the English language, will recognise in the mark applied for the presence of the English word ‘alloy’, corresponding to ‘alliage’ in French, even if the first letter of that word (‘a’) has merged with the last letter of the prefix ‘galva’, according to the usual process of haplology. That mark will therefore be perceived as referring to the concepts of galvanisation and alloy.

66. As far as the earlier mark is concerned, the suffix ‘allia’ is combined with the prefix ‘galva’ in the same way. The evocative force of the suffix ‘allia’ will enable the relevant public – on account of its knowledge and experience – to understand that that is a reference to the word ‘alliage’. That process of identification is facilitated still further by the association of the idea of ‘alliage’

(alloy) with that of galvanisation, the suffix 'allia' being attached to the prefix 'galva'.

67. By breaking down the signs at issue, the relevant public will therefore interpret both signs as referring to the concepts of galvanisation and alloy.

68. Consequently, the conclusion to be drawn is, as the applicant correctly maintains, that the signs at issue are conceptually very similar, inasmuch as they both evoke the idea of galvanisation and of an alloy of metals, although that idea is conveyed more directly by the mark applied for than by the earlier mark”.

57. On this basis, and in consideration of my assessment of the overall impressions, the coincidence of the word “LEMON” in the competing marks creates some conceptual similarity but this is likely to be at a relatively low level.

Distinctive character of the earlier marks

58. 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 *WindsurfingChiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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).”

59. In *Kurt Geiger v A-List Corporate Limited*, BL O/075/13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

60. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

61. The opponent has submitted that the earlier marks do not have a single dominant or distinctive element and ought to be assessed as a whole. I have no submissions from the opponent regarding the overall distinctiveness of the earlier marks. The applicant has argued that the word “LEMON” is the least distinctive element of the earlier marks and is arguably descriptive when applied to the goods at issue. However,

the applicant has also contended that the distinctiveness of the earlier marks lies in their totalities. I have no further submissions from the applicant in respect of the overall distinctiveness of the earlier marks.

62. As the respective registration processes for the earlier marks were not completed five years or more before the designation date, 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.

63. 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.

64. The 267 mark is a plain word consisting of the word “LEMONAID” with no other elements. As explained above, although the mark is conjoined, the average consumer would still identify the words “LEMON” and “AID”. They are two dictionary words and are easily understood in the English language. Together, and when applied to beverages, the mark would either be perceived as an inventive misspelling for the popular soft drink ‘lemonade’, or a pun on the same, implying some form of health benefit. Accordingly, the mark is allusive of the goods for which the mark is protected, though not in a strikingly direct manner due to the misspelling and/or pun, depending on how it is perceived by consumers. The above would also be true in respect of the 271 mark as it is also dominated by the word “LEMONAID”. Although the mark is figurative, the word is presented in a basic typeface and, therefore, its distinctiveness is not heightened by any form of stylisation. The mark also contains the “+” device. Nevertheless, this is much smaller in size in comparison to the word and would potentially be overlooked by consumers. Where not overlooked, the device would simply reinforce the message portrayed by the word in any event. As such, in my view, the device does not bestow the mark with any significant amount of additional distinctive character. In light of the above, I find that the earlier marks possess a medium degree of inherent distinctive character.

Likelihood of confusion

65. 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.

66. 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.

67. In *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, the GC noted that the beginnings of word tend to have more visual and aural impact than the ends. The court stated:

“81. It is clear that visually the similarities between the word marks MUNDICOLOR and the mark applied for, MUNDICOR, are very pronounced. As was pointed out by the Board of Appeal, the only visual difference between the signs is in the additional letters ‘lo’ which characterise the earlier marks and which are, however, preceded in those marks by six letters placed in the same position as in the mark MUNDICOR and followed by the letter ‘r’, which is also the final letter of the mark applied for. Given that, as the Opposition Division and the Board of Appeal rightly held, the consumer normally attaches more importance to the first part of words, the presence of the same root ‘mundico’ in the opposing signs gives rise to a strong visual similarity, which is, moreover, reinforced by the presence of the letter ‘r’ at the end of the two signs. Given

those similarities, the applicant's argument based on the difference in length of the opposing signs is insufficient to dispel the existence of a strong visual similarity.

82. As regards aural characteristics, it should be noted first that all eight letters of the mark MUNDICOR are included in the MUNDICOLOR marks.

83. Second, the first two syllables of the opposing signs forming the prefix 'mundi' are the same. In that respect, it should again be emphasised that the attention of the consumer is usually directed to the beginning of the word. Those features make the sound very similar."

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

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

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

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

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

69. In *The Picasso Estate v OHIM*, Case C-361/04 P, the CJEU found that:

“20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the Court of First Instance did not in any way err in law.”

70. In *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, Lady Justice Arden stated that:

“49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.”

71. Earlier in this decision I concluded that:

- The goods in Class 21 and some of the goods in Class 30 of the designation are dissimilar to the goods for which the earlier marks are protected;
- The goods in Class 29 of the designation are similar to the goods included in the earlier marks to a low degree;
- The remaining goods in Class 30 of the designation are similar to the opponent's specification to a medium degree;
- The goods in Class 32 of the designation and those of the earlier marks are identical;
- The services in Class 43 of the designation are similar to a low degree to the goods of the earlier marks;
- The average consumers of the goods and services at issue are likely to be members of the general public at large, whom would demonstrate an average level of attention during the purchasing act;
- The purchasing process for the respective goods and services would be predominantly visual in nature, though I have not discounted aural considerations;
- The overall impression of the earlier marks would be dominated by the word "LEMONAID", while the "+" device would play a lesser role in the 271 mark;
- The overall impression of the contested mark would be dominated by the word "LEMONCHA";
- The competing trade marks are visually similar to a medium degree, aurally similar to a medium degree, and conceptually similar to a low degree;
- The earlier mark possesses a medium level of inherent distinctive character.

72. From the case law it is clear that, in order to reach a conclusion of a likelihood of confusion, there must be some similarity between the goods and services of the competing trade marks. Earlier in this decision, I found some of the goods in the designation dissimilar to those of the earlier marks. Therefore, in respect of the goods in class 29 and class 30 that I have found to be dissimilar, it follows that there is no likelihood of confusion to consider. It follows that the opposition fails in relation to these goods.

73. In relation to the remaining goods and services, I have found these to be similar to the goods of the earlier marks to varying degrees. I appreciate that some are identical, some carry a medium degree of similarity and others are similar to at least a low degree. I also accept that the level of attention paid by the average consumer during the purchasing act is likely to be no more than average, while the earlier marks possess a medium to high level of inherent distinctive character. Nevertheless, I must bear in mind that the goods and services offered by the applicant would be frequent purchases where consumers are more likely to notice differences between the competing trade marks, despite the purchasing act being more casual than careful. Moreover, there are differences between the marks, particularly on a conceptual basis.

74. Although the competing marks both contain the word "LEMON", there are differences between the marks which would not be overlooked by the average consumer during the purchasing process. I accept that the word "LEMON" has a counterpart in the applicant's mark. Nevertheless, in my view, it would not be correct to artificially dissect the marks. I am of the opinion that the earlier marks would be perceived by consumers as a unit, being misspellings for the word 'lemonade' or a pun involving the same, when considered in totality. The designation would also be perceived as a whole but, conversely, as an invented word. As previously outlined, the designation would not be perceived as a misspelling of the word 'lemonade' and is lacking this conceptual meaning. Although the designation contains the word "LEMON", which would be easily identified within the overall word by consumers, *The Picasso Estate v OHIM* stipulates that for a concept to be relevant, it must be capable of immediate grasp by consumers. Although this part of the mark would be understood as the name of a fruit, the mark in totality has no clear meaning. I am not satisfied that

consumers would proceed to dissect the mark in this manner. Conceptual differences between marks may, in some circumstances, suffice to counterbalance visual and aural similarities. For the marks in suit, it is considered that the conceptual differences between the competing marks will have a significant impact on the different ways in which the marks will be perceived by consumers. Furthermore, while the word “LEMON” is a common element between the competing marks, it is arguably allusive – if not descriptive – of a characteristic of the goods relied upon by the opponent; the word is low in distinctiveness and may be seen as a reference to a characteristic of the goods. “LEMON” alone is not the dominant part of the competing trade marks and does not have distinctive character independent of the wholes. Therefore, although it is established that the beginnings of marks can have more impact than the end owing to the fact that the consumer will read the mark from left to right, I do not consider the marks at issue in these proceedings comparable to those in *El Corte Inglés, SA v OHIM*. The common element between the competing trade marks is such that it does not increase the likelihood of confusion. With this in mind, it is also worth noting that the respecting endings of the marks are entirely different.

75. Taking all of the above factors into account, the various differences between the competing trade marks previously identified are, in my view, likely to be sufficient to avoid the average consumer mistaking one trade mark for the other. Therefore, even when factoring in the imperfect recollection of the consumer and the interdependency principle, it follows that there will be no direct confusion. For the sake of completeness, my conclusion would be the same even if the purchasing act is aural in nature because the other factors point in the applicant’s favour.

76. 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).”

77. 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.

78. 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 unconvinced that the average consumer would assume a commercial association between the parties, or sponsorship on the part of the opponent, merely because of the shared word “LEMON”. I find it unlikely that the competing trade marks would be perceived in this manner. It is possible that the applicant’s mark would bring to mind the earlier marks in the memory of the average consumer, though this would amount to nothing more than mere association. Therefore, in my view, there is no likelihood of indirect confusion.

CONCLUSION

79. The opposition under Section 5(2)(b) of the Act has failed. Subject to any successful appeal, the designation will become protected in the UK.

COSTS

80. 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. The decision has been taken from the papers without an oral hearing. The applicant did not file evidence in these proceedings but did file written submissions in lieu of a hearing. In the circumstances I award the applicant the sum of **£500** as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Considering the opponent’s statement and preparing a counterstatement	£200
Preparing written submissions in lieu of an oral hearing	£300
Total	£500

81. I therefore order LemonAid Beverages GmbH to pay Lemoncha Sàrl the sum of **£500**. The above sum 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 1st day of April 2020

**James Hopkins
For the Registrar,
The Comptroller General**