O/096/21

TRADE MARKS ACT 1994

IN THE MATTER OF
TRADE MARK APPLICATON NO. 3458245
BY CHEERFUL BUDDHA LIMITED
TO REGISTER AS A TRADE MARK:

CHEERFUL BUDDHA

IN CLASSES 5, 30, 32 & 35

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 600001394
BY RITUALS INTERNATIONAL TRADEMARKS B.V.

BACKGROUND AND PLEADINGS

1. On 15 January 2020, Cheerful Buddha Limited ("the applicant") applied to register the trade mark **CHEERFUL BUDDHA**, under number 3458245 ("the application"). It was accepted and published in the Trade Marks Journal on 24 January 2020 in respect of a range of goods and services in classes 5, 30, 32 and 35.

2. On 20 May 2020, the application was partially opposed by Rituals International Trademarks B.V. ("the opponent") by way of the fast track opposition procedure.[1] The opposition is brought under section 5(2)(b) of the Trade Marks Act 1994 ("the Act") and is directed against the following goods and services of the application:

> Class 5: Pharmaceuticals; dietary supplements; dietetic and nutritional preparations; nutritional supplements; anti-inflammatory gels; topical first aid gels; gels for dermatological use; gelatin capsules for pharmaceuticals; topical analgesic creams; tinctures for medical purposes; medicinal herbs; herbal supplements; herbal medicine; medicinal herb infusions; medicinal herb extracts; liquid herbal supplements; herbal detoxification agents; decoctions of medicinal herb; extracts of medicinal herbs; herbal honey throat lozenges; herb teas for medicinal purposes; herbal preparations for medical use; herbal dietary supplements for persons special dietary requirements; pharmaceutical sweets; medicinal oils.
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> Class 30: Honeys; honey substitutes; herbal honey; herbal infusions; herbal teas; syrups and treacles; coffee, tea, cocoa, sugar, artificial coffee.
>
> Class 32: Soft drinks; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.

[1] The opponent's Form TM7F was filed outside of the original time period allowed following the publication of the application. However, the opponent's deadline fell within the period of interrupted days implemented by the IPO as a result of the COVID-19 outbreak. As the notice of fast track opposition was filed within this period, the Tribunal accepted it as being filed in time. The opponent was subsequently permitted to amend the Form TM7F to correct a discrepancy as to which ground was being relied upon. An amended Form TM7F confirming that the opponent relies upon section 5(2)(b) of the Act was filed on 24 November 2020.

Class 35: Retail services connected with the sale of pharmaceuticals, dietary supplements, dietetic and nutritional preparations, nutritional supplements, anti-inflammatory gels, topical first aid gels, gels for dermatological use, gelatin capsules for pharmaceuticals, topical analgesic creams, tinctures for medical purposes, medicinal herbs, herbal supplements, herbal medicine, medicinal herb infusions, medicinal herb extracts, liquid herbal supplements, herbal detoxification agents, decoctions of medicinal herb, extracts of medicinal herbs, herbal honey throat lozenges, herb teas for medicinal purposes, herbal preparations for medical use, herbal dietary supplements for persons special dietary requirements, pharmaceutical sweets, medicinal oils, honeys, honey substitutes, herbal honey, herbal infusions, herbal teas, syrups and treacles, coffee, tea, cocoa, sugar, artificial coffee, soft drinks, mineral and aerated waters, non-alcoholic drinks, fruit drinks and fruit juices, syrups for making beverages.

3. The opponent relies upon its European Union trade mark number 18049329, **HAPPY BUDDHA** ("the earlier mark"). The earlier mark was filed on 10 April 2019 and claims a priority date of 22 November 2018 from the Benelux Office for Intellectual Property. The earlier mark was registered on 20 September 2019 for goods in classes 3, 4 and 30. However, for the purposes of the opposition, the opponent only relies upon the following goods:

Class 3: Shower foam; Shower and bath gel; Shower and bath foam; Shower oils; Dry oils; Cosmetic products for the shower; Exfoliant creams; Exfoliants for the care of the skin; Cosmetic creams; Body sprays; Soap products; Cosmetics; Make-up preparations; Massage oils and lotions; Air fragrance reed diffusers; fragrance diffusers; Scented linen sprays; Room scenting sprays; Shampoo-conditioners; Antiperspirants [toiletries]; Shaving soap; Shaving gel; Shaving foam; Shaving cream; Shaving balm; Face creams for cosmetic use; Facial washes [cosmetic]; After-shave preparations; Aftershave milk; Toilet water; Eau de parfum; Scented oils; Hand creams; Hand lotions; Soaps for the hand; Exfoliating scrubs for the hands; Scented sachets; Fragrances for automobiles; Sunscreen; Sun creams; Sun tan lotion; After-sun lotions; After sun creams; Perfume; Sun-tanning oils; Lip balms [non-medicated];

Antiperspirants for personal use; Non-medicated foot lotions; Foot scrubs; Serums for cosmetic purposes; Hair care serums; Washing-up detergent; Liquid soap for dish washing; Cosmetic masks; Cosmetic masks; Bath salts, not for medical purposes; Scented bathing salts; Massage candles for cosmetic purposes; Anti-aging creams.

Class 30: Tea; Tea extracts.

4. The opponent's mark is an earlier mark, in accordance with Section 6 of the Act.[2] However, as it has not been protected for five years or more at the filing date of the application, it is not subject to the proof of use requirements specified within Section 6A of the Act. As a consequence, it may reply upon all or any of the goods listed in the earlier mark.

5. The opponent highlights that the competing marks share the identical word element 'BUDDHA' and contends that the marks are conceptually identical. This, according to the opponent, results in a high level of overall similarity between the marks. Furthermore, the opponent argues that the goods and services of the application are identical or similar to the goods of the earlier mark. Based upon these factors, the opponent submits that there is a likelihood of confusion between the competing marks, including a likelihood of association.

6. The applicant filed a counterstatement denying the ground of opposition. The applicant concedes that the competing marks share the identical word element 'BUDDHA', though contends that there are a number of other registrations containing this word. The applicant argues that the marks are visually and aurally different by virtue of the additional words 'HAPPY' and 'CHEERFUL'. In this regard, the applicant disputes any overall similarity between the marks. Moreover, while the applicant concedes that some of its goods are identical or similar to those of the earlier mark, it

[2] Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019. Tribunal Practice Notice 2/2020 refers.

submits that others are dissimilar. On the basis of the foregoing, the applicant denies that there is a likelihood of confusion.

7. Rule 6 of the Trade Marks (Fast Track Opposition) (Amendment) Rules 2013, S.I. 2013 2235, disapplies paragraphs 1 to 3 of rule 20 of the Trade Mark Rules 2008 but provides that rule 20(4) shall continue to apply. Rule 20(4) stipulates that "the Registrar may, at any time, give leave to either party to file evidence upon such terms as the Registrar thinks fit".

8. The net effect of these changes is to require the parties to seek leave in order to file evidence in fast track oppositions. No leave was sought in respect of these proceedings.

9. The opponent is represented by Novagraaf UK, whereas the applicant is represented by Trademark Eagle Limited. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard only if (i) the Office requests it, or (ii) either party to the proceedings requests it and the Registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost; otherwise, written arguments will be taken. A hearing was neither requested nor considered necessary. Both parties filed written submissions in lieu of an oral hearing. This decision is taken following a careful perusal of the papers, keeping all submissions in mind.

10. Although the UK has left the EU, section 6(3)(a) of the European (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive and, therefore, this decision continues to make reference to the trade mark case law of EU courts.

DECISION

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

11. Sections 5(2)(b) and 5A of the Act read 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."
>
> "5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only."

12. 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

13. In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon Kabushiki Kaisha v Metro Goldwyn Mayer Inc,* 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".

14. 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.

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 Harmonisation 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. 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 für 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".

17. In *Separode Trade Mark*, BL O/399/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person confirmed at paragraph 5 that:

> "The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision."

18. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.

19. In *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14, Mr Geoffrey Hobbs Q.C. as the Appointed Person reviewed the law concerning retail services v goods. He said (at paragraph 9 of his judgment) that:

> "9. The position with regard to the question of conflict between use of BOO! for handbags in Class 18 and shoes for women in Class 25 and use of MissBoo for the Listed Services is considerably more complex. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is requested in general terms; (iii) for the purpose of determining whether such an application is objectionable under Section 5(2)(b), it is necessary to ascertain whether there is a likelihood of confusion with the opponent's earlier trade mark in all the circumstances in which the trade mark applied for might be used if it were to be registered; (iv) the criteria for determining whether, when and to what degree services are 'similar' to goods are not clear cut."

20. However, on the basis of the European courts' judgments in *Sanco SA v OHIM,*[3] and *Assembled Investments (Proprietary) Ltd v. OHIM,*[4] upheld on appeal in *Waterford Wedgewood Plc v. Assembled Investments (Proprietary) Ltd,*[5] Mr Hobbs concluded that:

> i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer's point of view, they are unlikely to be offered by one and the same undertaking;
>
> ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services *normally* associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the applicant's trade mark;
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> iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark was registered for goods X;
>
> iv) The GC's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or proposed to be registered).

21. The opponent has maintained that the opposed goods and services are identical, or at least similar, to the goods of the earlier mark. The opponent has also made submissions in respect of particular comparisons, which will be referred to below, as and where necessary.

22. The applicant has accepted that some of its goods in class 30 are identical or similar to those of the earlier mark. However, as the applicant has not specified the

[3] Case C-411/13P
[4] Case T-105/05, at paragraphs [30] to [35] of the judgment
[5] Case C-398/07P

level of similarity that exists between those goods, I will proceed to conduct a full comparison. In relation to the applicant's remaining goods and services, it has denied that there is any similarity with the opponent's goods.

23. The goods and services to be compared are set out at paragraphs 2 and 3 above.

Class 5

'Medicinal herb infusions; decoctions of medicinal herb; herb teas for medicinal purposes'

24. These terms refer to herbs that are either steeped or boiled in hot water to extract vitamins and other nutrients from the plant material. The liquids are then consumed, typically as a hot drink, for their intrinsic health benefits. There is, therefore, an overlap in nature with the opponent's *'tea'* insofar as the respective goods are both beverages produced from plant material and hot water. In this regard, the method of use is likely to be the same, namely, that they will be consumed by mouth. It is considered that the core intended purpose of the goods is not the same: the applicant's goods are consumed for medicinal purposes, while, ordinarily, the opponent's goods are consumed for enjoyment or to quench thirst. Nevertheless, the term *'tea'* will include herbal teas, which are also consumed for perceived health benefits, leading to a certain extent of crossover. The applicant's goods will be sold in retail establishments specialising in health and wellbeing, such as health food stores. However, there is an overlap in the way in which the respective goods reach the market as, in my experience, it is equally likely that infusions and teas purported to have health benefits are also sold in more general retail establishments such as supermarkets. In these circumstances, the respective goods are likely to be found alongside one another. The respective goods are neither indispensable nor important for the use of one another and, as such, they are not complementary in the sense outlined in case law. However, it is possible that some consumers seeking to purchase *'tea'* would instead select a version of the goods with more pronounced medicinal properties, leading to an element of competition. Overall, I consider the respective goods to be similar to between a medium and high degree.

25. The opponent has submitted that these goods are also similar to its goods in class 3 on the basis that it is not uncommon for cosmetics to include herbal extracts. While I do not dispute that herbal extracts can be ingredients in cosmetics, this, in my view, does not put the opponent in a more favourable position than its class 30 goods. It has been established that the mere fact that a particular good is used as a part or component of another does not suffice, in itself, to show that the goods containing those parts or components are similar.[6] This is because, for example, their nature, intended purpose and average consumers may be completely different. Certainly, I consider this to be the case here.

'Medicinal herb extracts; extracts of medicinal herbs'

26. These goods in the application refer to substances extracted from herbs for their beneficial properties. Accordingly, there is an overlap in nature with the opponent's *'tea extracts'* as the respective goods are substances extracted from plant material. Given that the respective goods are both typically added to other consumables or used to produce supplements, there is also a shared method of use. Moreover, there is a degree of overlap in the ultimate intended purpose of the goods; the applicant's goods are consumed for their healing properties and, while the opponent's goods are not specified as medicinal in nature, tea extracts are often consumed for perceived health benefits. I do not agree with the applicant's contention that the respective goods reach the market through different means: the goods are both sold in retail establishments specialising in health and wellbeing, such as health food stores, resulting in shared trade channels. In these circumstances, the goods will be self-selected by the consumer and are likely to be found on the same or adjoining shelves. I do not consider the respective goods to be complementary since they are neither important nor indispensable to the use of one another. Nevertheless, I am of the view that there is competition between the goods as consumers seeking to purchase tea extracts may select herbal extracts with more pronounced medicinal properties instead. In light of the above, I consider the respective goods similar to between a medium and high degree.

[6] *Les Éditions Albert René v OHIM*, Case T-336/03

27. According to the opponent, these goods of the application are also similar to its goods in class 3. Again, the opponent has argued that herbal extracts can be used as ingredients in cosmetics, leading to similarity between the goods in respect of purpose, distribution channels, end user and producer. Herbal extracts can, indeed, be used as ingredients in cosmetic products. However, as I found above, this does not put the opponent in a more favourable position than its class 30 goods. As outlined above, it is not sufficient for a finding of similarity that one good is a part or component of another. In this instance, there will be differences between the respective goods in terms of nature, method of use, intended purpose and trade channels.

'Dietary supplements; dietetic and nutritional preparations; nutritional supplements; herbal supplements; liquid herbal supplements; herbal dietary supplements for persons special dietary requirements; herbal detoxification agents'

28. These goods refer to substances which are added to other foodstuffs or consumed to compliment one's diet. They are commonly available as dry powders, pills or liquids, and may consist of extracts from plant matter. Accordingly, it is considered that there is an overlap in nature with the opponent's *'tea extracts'* as this, too, is a substance extracted from plant material. The respective goods are also both typically added to other consumables or taken as supplements and, therefore, there is a shared method of use. Moreover, there is a degree of overlap in the ultimate intended purpose of the goods: the applicant's goods are consumed for some benefit to the human body and tea extracts are often consumed for perceived health benefits. The goods may also reach the market through common trade channels as both are sold in retail establishments specialising in health and wellbeing, such as health food stores, whereby the goods will be self-selected by the consumer. The respective goods may be found on the same shelves, or at least in the same section of those outlets. I do not consider the respective goods to be complementary since they are neither important nor indispensable to the use of one another. There is, however, an element of competition between them as it is possible that consumers seeking to purchase nutritional supplements may purchase tea extracts in their place, or vice versa. In light of the above, I find that there is a medium degree of similarity between the respective goods.

'Medicinal herbs; herbal medicine; herbal preparations for medical use'

29. Given that these goods will include dried herbs which are served in the form of a drink, it is considered that there is a degree of overlap in the nature of the goods and the opponent's *'tea'*, which would incorporate herbal teas. Moreover, whilst tea from the tea plant is typically consumed for enjoyment or to quench thirst, herbal teas are consumed by some for reported health benefits. As such, there is a degree of overlap in the intended purpose of the respective goods. To my mind, there is also an overlap in method of use: herbal medicine in the form described above and tea will both be steeped or infused in hot water before being consumed by mouth. While I accept that it is not always the case, there will be circumstances where the respective goods will reach the market through shared trade channels. Herbal teas are, of course, available in supermarkets. However, they are also commonly sold in retail establishments specialising in health and wellbeing, such as health food stores, from which herbal medicines will typically be available. I do not consider the goods complementary in the sense outlined in case law. Nevertheless, the line between herbal teas and medicinal herbs is rather blurred and I am of the view that a consumer seeking herbal remedies for medicinal purposes may, instead, purchase herbal tea, or vice versa. Therefore, there is a competitive relationship between the respective goods. Balancing the similarities against the differences, I consider the respective goods to be similar to a medium degree.

30. The opponent has argued that these goods are also similar to its class 3 goods due to the fact that herbs can be used as ingredients in cosmetic products. As I have already highlighted, it is not sufficient for a finding of similarity that one good is merely a part or component of another. Therefore, I do not consider that the opponent's class 3 goods put it in a better position than the goods compared above.

'Pharmaceuticals'

31. The above term refers to compounds that are manufactured for use as medicinal drugs. It is a broad term which would incorporate, *inter alia*, skincare products with medical properties. The term *'cosmetics'* in the opponent's class 3 specification is a broad term, too, and generally refers to preparations that are applied to the skin of the

body and face to improve its appearance. There will be particular instances where the physical nature of the goods will overlap, for example, where the respective goods are both available in the form of a cream. As a consequence, although the method of use of some pharmaceuticals will differ from that of cosmetics, other products it covers will have a shared a method of use, for instance, goods that will be applied to the skin. However, when considering their normal and natural meanings, the purpose of cosmetics is to improve appearances, while that of pharmaceuticals is to treat conditions. Cosmetics are widely available for self-selection at retail establishments and the same is also true of many pharmaceutical products. Moreover, cosmetics are sometimes sold by pharmacies, from which pharmaceutical products are also available. Nevertheless, the respective goods will appear on different shelves and are often located in discrete sections of these outlets. As such, there is only a limited overlap in the trade channels through which the respective goods reach the market. I do not consider the respective goods complementary in the sense described in case law. Neither, in my view, is there any meaningful competition between the respective goods. It is possible that a consumer would select a product containing medicinal drugs over a 'softer' cosmetic alternative, or vice versa; however, due to divergent purposes, I do not consider it likely. In light of the above, I find that the respective goods are similar to a low degree.

'Anti-inflammatory gels; topical first aid gels; gels for dermatological use; topical analgesic creams'

32. These terms refer to gels and creams with various medical properties. It is considered that there is some crossover in the nature and method of use of these goods and the opponent's *'cosmetic creams'* as the respective goods all describe thick liquid or semi-solid products which will be applied to the skin. However, cosmetic creams are used to improve appearance, whereas the applicant's goods are used to relieve pain, prevent infections, treat skin conditions or reduce inflammation. In this connection, the respective goods have a different intended purpose. The respective goods may reach the market through retail establishments such as supermarkets, though this is not sufficient to conclude that the goods have shared channels of trade; the goods will be located on different shelves and in different sections of those outlets. The respective goods are not complementary in the sense described in case law.

Moreover, there is no meaningful competition between the respective goods as they have different purposes. Overall, it is considered that there is a low degree of similarity between the respective goods.

'Medicinal oils'

33. These goods refer to liquid compounds with medicinal properties that are typically applied to the skin or ingested. *'Dry oils'* in the opponent's class 3 specification refers to oils that are ordinarily used as light moisturisers for the skin, nails or hair. Given that the respective goods both essentially describe liquid compounds with an oily texture, to my mind, there is an overlap in their nature. It is also true that, in some circumstances, the method of use of the respective goods will be the same, namely, that they are applied to the skin. However, the purpose of the opponent's goods is to moisturise the skin and improve its appearance, while that of the applicant's goods is to treat conditions. Therefore, the intended purpose of the respective goods is not the same. The goods may also reach the market through common trade channels as they are both sold in retail establishments specialising in health and wellbeing, though I accept that this is not without exception. In circumstances where there is an overlap of retailer, the goods will be self-selected by consumers but will be found in different sections of those outlets. The respective goods are neither important nor indispensable to the use of one another and, as such, they are not complementary. Moreover, there is no meaningful competition between the respective goods as they have different purposes. Overall, I find that there is a low degree of similarity between the respective goods.

'Gelatin capsules for pharmaceuticals; tinctures for medical purposes; pharmaceutical sweets; herbal honey throat lozenges'

34. The opponent has contended that these goods of the application are sufficiently broad that they may incorporate herbal teas or products which may be used in such drinks. Moreover, some of the goods, according to the opponent, will have a common intended purpose as its class 30 goods, that being for therapeutic purposes. Therefore, in the opponent's submission, there will be competition between them. On the basis of the foregoing, the opponent has argued that the respective goods are

similar to at least a low degree. The applicant, for its part, has disputed any similarity between the respective goods.

35. The applicant's goods are varied but, broadly, cover medicinal products that are either ingested or, in some cases, used in the production of pharmaceuticals. Given that the opponent's goods are leaves of the tea plant, or extracts therefrom, the nature of the respective goods is quite different. At a very general level, there is an overlap in the intended purpose of the goods: as herbal teas (which would fall within the scope of *'tea'*) are sometimes consumed for reported health benefits and the applicant's goods are taken to improve health or alleviate medical conditions, both can be said to provide some benefit to the human body. Strictly, however, the intended purpose of the respective goods is not the same: the applicant's goods have a medical purpose whereas the opponent's goods will be consumed to quench thirst or for enjoyment. The method of use of the respective goods will only overlap in limited circumstances and this is far from being the norm. Users of the applicant's goods will include medical professionals such as pharmacists, whereas users of the opponent's goods will be the general public. Crucially, the respective goods will reach the market through divergent trade channels: the applicant's goods will be sold through pharmacies or by manufacturers, while the opponent's goods will be sold through retail establishments such as supermarkets. Even in circumstances where the applicant's goods are available through retail establishments, they are unlikely to be in the same vicinity. The respective goods are not complementary in the sense outlined in case law. Moreover, I do not accept the opponent's submission that the respective goods are in competition; I can see no reason why a consumer seeking to purchase throat lozenges, for instance, would purchase tea in their place. In my view, the only tangible connection between the respective goods is that '*tea'* and '*tea extracts'* could be an ingredient of the applicant's goods. As previously explained, this alone is not sufficient for a finding of similarity and I consider any other potential for overlap between the goods to be too limited. In light of the above, I conclude that the respective goods are dissimilar.

Class 30

'Tea'

36. This term has a direct counterpart in the specification of the earlier mark. These goods are self-evidently identical.

'Herbal infusions; herbal teas'

37. *'Herbal teas'* in the applicant's specification refers to beverages made from the infusion of herbs in hot water, as opposed to those prepared from the cured leaves of the tea plant. Nevertheless, I have no doubt that the average consumer would consider it to be a subcategory of tea. As such, the term will be encompassed by the broader category of *'tea'* in the opponent's specification, rendering the goods identical under the principle outlined in *Meric*. This finding, to my mind, also extends to *'herbal infusions'* in the applicant's specification. These goods refer to beverages which are prepared by soaking herbs in liquid.[7] Although this term is worded slightly differently to *'herbal teas',* it is considered that it essentially describes the same goods. If I am wrong and *'tea'* does not include *'herbal teas'* and *'herbal infusions'*, they are, nonetheless, highly similar because they share the same nature, intended purpose and methods of use and will be in competition. Further, they will appear on the same or adjacent shelves in retail outlets so there is an overlap in trade channels.

'Coffee, artificial coffee'

38. The opponent has argued that the above terms share the same target market, end consumer, method of use and distribution channels as its class 30 goods. Moreover, the opponent has maintained that coffee is an alternative to tea or, in the alternative, that they are complementary. On this basis, the opponent has submitted that the respective goods are highly similar. For its part, the applicant has conceded that they are identical or similar.

39. Although one is produced from the ground seeds of the coffee plant and the other is produced from the dried leaves of the tea plant, there is an overlap in the nature of these goods insofar as they are both used to make non-alcoholic beverages which are

[7] https://www.lexico.com/definition/infusion

usually served hot. Moreover, the intended purpose of the respective goods is the same as they are typically consumed to quench thirst or for a pleasurable taste or experience. I agree with the opponent that coffee and tea have the same method of use, namely, that hot water will be added to them before they are consumed by mouth. Further, the respective goods will share end users, being members of the hot beverage drinking general public. In my view, the trade channels through which the respective goods reach the market will overlap as they are sold in supermarkets and other retail outlets, whereby the goods will be self-selected by consumers. While the respective goods are not likely to be found on the same shelves, they are likely to be located within the same section of those outlets. The respective goods are neither important nor indispensable to the use of one another and, therefore, I do not accept the opponent's argument that they are complementary. However, there is a competitive relationship between the respective goods as a consumer seeking refreshment from a hot beverage may select coffee over tea, and vice versa. In view of the above, I consider the respective goods to be similar to a high degree.

'Cocoa'

40. Again, the opponent considers the above highly similar to its class 30 goods as a result of shared target markets, end consumers, method of use and distribution channels. The opponent has also argued that the respective goods are in competition or are complementary. The applicant has accepted that the respective goods are identical or similar.

41. *'Cocoa'* refers to a powder made from ground cacao seeds, commonly mixed with hot milk or water to make drinking chocolate. Despite the fact that cocoa and tea are produced using different raw materials, there is an overlap in the nature of the respective goods. This is because they are both used to make non-alcoholic beverages which are typically served hot. Tea and cocoa are both consumed to quench thirst or for a pleasurable taste or experience and, in this connection, the intended purpose of the respective goods is the same. Furthermore, the method of use of the respective goods overlap considerably as they are both usually mixed with hot liquids (such as milk or water) and subsequently consumed by mouth. It is also considered that the respective goods have the same end user, being members of the

general public. The trade channels through which the respective goods reach the market overlap as they are both sold in supermarkets and other retail outlets. In these circumstances, the goods are likely to be located within the same section – albeit on different shelves – and will be self-selected by consumers. The respective goods are not important or indispensable to one another and, as such, I disagree with the opponent's submission that they are complementary. Nevertheless, a consumer seeking refreshment from a hot beverage could reasonably select cocoa over tea, or vice versa. Although I do not consider it to be as pronounced as between tea and coffee, there is, in my view, a degree of competition between the respective goods. Overall, I find the respective goods similar to a high degree.

'Honeys; honey substitutes; herbal honey; syrups and treacles; sugar'

42. According to the opponent, the above terms share the same target market, end consumer, method of use and distribution channels as its class 30 goods. It has submitted that these goods are also in competition or are complementary. On this basis, it has argued that the goods are highly similar. Conversely, the applicant has denied that there is any similarity between these goods.

43. These goods of the application refer to various foodstuffs that are commonly added to other foodstuffs as sweeteners or used as condiments. Irrespective of whether the applicant's goods are in the form of a thick, sticky liquid or solid crystals, the nature of them is markedly different from that of tea, being dried leaves of the tea plant. In my view, there is no overlap in the intended purpose of the respective goods: as indicated above, the purpose of the applicant's goods is to be used as an ingredient or condiment to add sweetness to foodstuffs, whereas the opponent's goods are consumed to quench thirst or for a pleasurable taste or experience. I disagree with the opponent's contention that the respective goods have the same method of use; in contrast to the opponent's goods, the applicant's goods will not normally be added to hot water in order to be consumed as a beverage. I am also unconvinced that the respective goods would reach retailers through shared means of distribution; rather, it is likely that the goods would originate from different sources. I acknowledge that the respective goods are available at supermarkets and other retailers, however, this is insufficient to find that they have shared channels of trade; the respective goods will

not be located on the same shelves and are likely to be found in their own discrete areas. I do not accept the opponent's submission that the respective goods are in competition; I can see no reason why a consumer who is seeking to purchase tea would, instead, select the applicant's goods, or vice versa. Moreover, the respective goods are not considered complementary in the sense outlined in case law. While, of course, sugar, for instance, can be used to sweeten tea, the goods are not important or indispensable to one another. To my mind, consumers would not assume that the responsibility for the respective goods lies with the same undertaking simply because they can be used together. Taking all of the above into account, I conclude that there is no similarity between the respective goods.

Class 32

'Non-alcoholic drinks; soft drinks; mineral and aerated waters; fruit drinks and fruit juices'

44. These goods in the applicant's specification all broadly describe non-alcoholic drinks. The raw materials used for the production of these goods and those of the opponent differ significantly; however, there is a degree of overlap in the nature of the applicant's goods and *'tea'* – which includes the finished, drinkable form of the goods – insofar as they are all beverages which do not contain alcohol. Given that the respective goods are consumed to quench thirst or for a pleasurable taste, it is considered that there is also an overlap in their intended purpose. In my view, it follows that the method of use of the respective goods is the same, namely, that they will be consumed by mouth. Users of the respective goods will be members of the general public. The respective goods are available to purchase from supermarkets and other retail establishments, though they will not typically be self-selected by consumers from the same shelves or sections of those outlets. As such, the fact that the respective goods are sold in supermarkets is not sufficient to find that they have shared channels of trade. The respective goods are neither important nor indispensable to the use of one another and, as such, they are not complementary in the sense outlined in case law. Moreover, whilst the respective goods can all be described as non-alcoholic drinks, there is no meaningful competition between them; it is possible that a consumer looking to purchase tea would, instead, purchase a fruit drink, for example, though it

is considered unlikely. Balancing the similarities against the differences, I find the respective goods similar to between a low and medium degree.

'Syrups for making beverages'

45. The applicant's goods refer to preparations for making beverages consisting of thick, sweet liquids. They are typically diluted to create drinks or added to other drinks for additional flavouring. In comparison, bearing in mind that tea consists of dried leaves from the tea plant and tea extracts are typically a powdered form of the same, the nature of the respective goods is very different. There is, however, an overlap in the intended purpose of the respective goods as *'syrups for making beverages'* and *'tea'* can both be used to make finished drinks. In this connection, the method of use of the respective goods also overlaps insofar as they require a similar process – usually the addition of water – before they are consumed by mouth. Users of the respective goods will be members of the general public. Although the respective goods are sold in supermarkets and other retail establishments, it is unlikely that they will be found in the same shelves or in a shared section. Therefore, I am not satisfied that the respective goods have the same trade channels. In my view, as the respective goods are neither indispensable nor important to the use of one another, they are not complementary. I recognise that syrups are sometimes added to hot beverages to provide additional flavour, though this is not sufficient in the context of the case law for a finding of complementarity. Moreover, there is no competition between the respective goods as a consumer seeking to purchase syrups with which to make beverages is highly unlikely to select tea or extracts therefrom instead, or vice versa. In light of the above, I find the respective goods similar to a very low degree.

Class 35

46. As the retail services concern the sale of the goods that appear in classes 5, 30 and 32 of the application, the opponent has submitted that there is similarity between them and its goods in classes 3 and 30. Moreover, it has contended that it is not uncommon for the producers of the relevant goods to also be involved with the retail of such goods. It has also submitted that the services are complementary to the goods of the earlier mark and share the same distribution channels as those goods. Finally,

the opponent has argued that the relevant public of the respective goods and services is the same. For its part, the applicant has suggested that the similarity or otherwise of its retail services will follow that of its goods.

'Retail services connected with the sale of tea, herbal infusions and herbal teas'

47. I have already found the goods that these retail services are connected to are identical to *'tea'* in class 30 of the earlier mark. As a consequence, although the respective goods and services have different natures, purposes and methods of use, it is considered that the opponent's goods are complementary to the applicant's retail services. The opponent's goods are important to the operation of the applicant's retail services in such a way that consumers will assume that the responsibility for them lies with the same undertaking and, considering the retail services normally associated with the opponent's goods, in my view, this complementarity is sufficiently pronounced. Moreover, the respective goods and services will be offered through shared trade channels. In light of the foregoing, I find the respective goods and services to be similar to a medium degree.

'Retail services connected with the sale of coffee, artificial coffee, cocoa, soft drinks, non-alcoholic drinks, mineral and aerated waters, fruit drinks, fruit juices, syrups for making beverages, medicinal herb infusions, decoctions of medicinal herb and herb teas for medicinal purposes'

48. The above services and the opponent's goods have different natures, purposes and methods of use. Moreover, there is no complementarity between them as the respective goods and services are not important or indispensable to the use of one another. Neither, in my view, is there any meaningful competition between the respective goods and services. However, when considering the retail services usually associated with tea, it is not uncommon for these goods and the applicant's retail services to be provided by the same undertaking. On this basis, there is a low degree of similarity between them.

'Retail services connected with the sale of medicinal herb extracts, extracts of medicinal herbs, dietary supplements, dietetic and nutritional preparations, nutritional

supplements, herbal supplements, liquid herbal supplements, herbal dietary supplements for persons special dietary requirements and herbal detoxification agents'

49. Again, the above services and the opponent's goods have different natures, purposes and methods of use. To my mind, the respective goods and services are not important or indispensable to the use of one another, resulting in no complementarity between them. Nevertheless, these retail services are offered by establishments which specialise in health and wellbeing products; these outlets are likely to also offer *'tea extracts'* and, as such, the respective goods and services will share some overlap of trade channels. In view of the same, I find that there is a low degree of similarity between the respective goods and services.

'Retail services connected with the sale of medicinal herbs, herbal medicine and herbal preparations for medical use'

50. The nature, purpose and method of use of the above services is different to that of the opponent's goods. Furthermore, the opponent's goods cannot be considered important or indispensable to them and, as such, the respective goods and services are not complementary. However, the opponent's *'tea'* – particularly when considering herbal tea – is often sold in retail establishments which specialise in health and wellbeing products. These outlets also commonly offer the applicant's retail services. In light of the above, it is considered that there is a low degree of similarity between the respective goods and services.

'Retail services connected with the sale of pharmaceuticals, anti-inflammatory gels, topical first aid gels, gels for dermatological use and topical analgesic creams'

51. The nature, purpose and method of use of these retail services differs from that of the opponent's goods. There is no complementarity between the respective goods and services as they are not considered important or indispensable to one another. There are, however, shared channels of trade between the applicant's services and the opponent's *'cosmetics'* and *'cosmetic creams'*; these goods are often sold by specialist retailers and pharmacies, which also typically offer the applicant's retail services. By

virtue of the same, there is a low degree of similarity between the respective goods and services.

'Retail services connected with the sale of medicinal oils'

52. The opponent's goods have a different nature, purpose and method of use to the applicant's retail services. Neither are they considered important or indispensable to the use of the applicant's retail services and, accordingly, there is no complementarity between them. The opponent's *'dry oils'*, however, are commonly sold in health and wellbeing retail environments, wherein the applicant's services are also available. As such, there is a low degree of similarity between the respective goods and services.

'Retail services connected with the sale of gelatin capsules for pharmaceuticals, tinctures for medical purposes, pharmaceutical sweets, herbal honey throat lozenges, honeys, honey substitutes, herbal honey, syrups, treacles and sugar'

53. I have already found the corresponding goods to be dissimilar to any of those protected by the earlier mark. That being the case, I can see no reason why there would be any similarity between retail services concerning these goods and any of the opponent's goods. The nature, purpose and method of use of the applicant's retail services diverge from that of the opponent's goods and there is only a limited overlap in the trade channels through which they reach the market. Further, there is no complementarity or competition between the respective goods and services, and the users of are not the same. I am of the view that any limited overlap between the respective goods and services will be insufficiently pronounced such that, from the perspective of the average consumer, they are unlikely to be offered by the same undertaking. I conclude that there is no similarity between these goods and services.

The average consumer and the nature of the purchasing act

54. The average consumer is deemed to be reasonably well informed, 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).

55. 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."

56. In *Bayer AG v EUIPO*, Case T-261/17, the GC held that the average consumer pays a heightened level of attention when selecting pharmaceutical products, including such products available without a prescription (see paragraph 33 of the judgment).

57. The opponent has submitted that:

> "The respective goods and services are aimed at the same target markets, covering general consumers and in some cases, specialists. The assessment must therefore be made of the average consumer who will only take a normal degree of care and attention."

58. Conversely, the applicant has argued that:

> "[…] it is submitted that the areas of interest to the parties are nearly totally different […] Looking objectively an average consumer looking to buy the goods covered in the application will never be in a situation to be buying the goods covered by the opponent's earlier right, other than in relation to 'tea, tea extracts' […]"

59. The majority of the goods and services at issue in these proceedings are, broadly, cosmetics, foodstuffs and non-alcoholic drinks in classes 3, 30 and 32, and the associated retail services in class 35. The average consumer of such goods and services will be members of the general public. Overall, the goods and services are likely to be purchased relatively frequently for the purposes of, for example, personal care or refreshment. The purchasing act will not require an overly considered thought process as, overall, the goods and services are relatively inexpensive; the purchasing of the goods and services is likely to be more casual than careful. The average consumer will, nevertheless, consider factors such as taste and nutritional content when selecting food and drink products, and will consider factors such as ingredients and suitability when purchasing cosmetics to ensure that what they are purchasing meets their individual needs. Taking the above factors into account, I find that the level of attention of the general public in respect of these goods and services would be medium. The goods are typically sold in supermarkets, specialist health and wellbeing stores and pharmacies, where the goods are likely to be self-selected from shelves or chilled cabinets. In these circumstances, the purchasing process would be predominantly visual in nature. However, I do not discount aural considerations entirely as the average consumer may receive word of mouth recommendations or discuss the products with a sales assistant before purchasing the goods. Very similar considerations also exist in respect of the class 35 retail services.

60. Due to the nature and purpose of the goods in class 5 of the application, it is necessary to identify two groups of relevant consumers, namely, the general public and professional users, as was confirmed by the GC in *Mundipharma AG v OHIM*, Case T-256/04.

61. In the case of the general public, the goods are likely to be purchased relatively frequently for the purposes of treating a medical condition. In this connection, I do not consider the purchasing act of the goods to be merely casual. On the contrary, it would be an important choice for the consumer as they will wish to ensure that the products will be safe to use and are appropriate for their medical needs. Taking these factors into account, I find that the level of attention of the general public in relation to these goods would be higher than normal. While many of the goods can be purchased in retail outlets such as health stores, it is likely that some would need to be prescribed

or made available through medical professionals. In my view, the purchasing process for these goods would be a combination of visual and aural; some consumers may select the goods from shelves at a health store or pharmacy, while others will obtain the goods following a consultation with a healthcare professional.

62. In respect of professional users, it is likely that the goods will be frequent, repeated purchases for stocking a pharmacy, for example. The choice for professional users would be important as they will thereafter be recommending and, in some instances, prescribing the use of the products for medical treatment. As such, the purchasing of the goods would be more careful than casual. In view of the same, professional users would possess a high level of attention when selecting the products. The goods will be purchased from suppliers and manufacturers, whereby the process would be a combination of visual and aural. Information about the products would likely be sought primarily from brochures and webpages. However, the purchasing process may also include verbal representations from pharmaceutical or health and wellbeing salespersons.

Distinctive character of the earlier mark

63. 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).
>
> 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)."

64. The opponent has submitted that the earlier mark has at least an average degree of distinctiveness as it has no meaning in relation to the goods for which it is protected. The applicant, on the other hand, has argued that the earlier mark is only distinctive in the combination of the words. Moreover, although the applicant has accepted that the mark has no descriptive elements or any connection to the goods, it has argued that the word 'BUDDHA' is "quite common" for trade marks registered in classes 3, 5 and 30, intimating that it is low in distinctiveness. In this connection, the applicant asserts that there are "over 50" live trade marks on the UK register containing the word in respect of these classes and suggests that "many of these coexist".

65. Before proceeding with the assessment, I must clarify that the existence of other registered marks will not have any bearing on the level of distinctive character possessed by the earlier mark or, for that matter, whether there is a likelihood of confusion between the competing trade marks. This is because there is no evidence that the marks are in use and that consumers have become accustomed to differentiating between them. In *Zero Industry Srl v OHIM*, Case T-400/06, the GC stated that:

"73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word 'zero', it should be pointed out that the Opposition Division found, in that regard, that '… there are no indications as to how many of such trade marks are effectively used in the market'. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word

‘zero’ is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 GfK v OHIM – BUS(Online Bus) [2005] ECR II-4865, paragraph 68, and Case T-29/04 Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II-5309, paragraph 71).”

66. The existence of other earlier registered marks is not relevant for the purposes of this assessment and the matter of whether parties are able to coexist, notwithstanding any similar trade mark registrations, is one for those relevant parties and not one which involves the Registrar.

67. The distinctiveness of a mark may be enhanced as a result of it having been used in the market. However, the opponent has not pleaded that its mark has acquired enhanced distinctive character and has filed no evidence of use. Consequently, I have only the inherent position to consider.

68. 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.

69. The earlier mark is in word-only format and consists of the words ‘HAPPY BUDDHA’. I agree that the mark has no clear descriptive meaning or any obvious connection with the goods for which it is protected. The word ‘HAPPY’ will be widely understood to mean feeling or showing pleasure or contentment,[8] while the word ‘BUDDHA’ will be understood by consumers as referring to a person who has attained full enlightenment, or, possibly, the philosopher upon whose life and teachings the religion of Buddhism is based.[9] As the word ‘HAPPY’ is an adjective and is presented before the noun ‘BUDDHA’, the combination of the words results in the former qualifying the latter; as a consequence, the mark in totality will be understood as

[8] https://www.lexico.com/definition/happy
[9] https://www.lexico.com/definition/buddha

meaning a person who has attained full enlightenment (or the founder of Buddhism) feeling or showing pleasure or contentment. In light of the above, I find that the earlier mark has a medium level of inherent distinctive character.

Comparison of trade marks

70. 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. This 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."

71. Therefore, it would be wrong to artificially dissect the trade marks, though it is necessary to take into account the distinctive and dominant components of the marks. Due weight must be given to any other features which are not negligible and hence contribute to the overall impressions created by the marks.

72. The competing trade marks are as follows:

Earlier trade mark	Applicant's mark
HAPPY BUDDHA	CHEERFUL BUDDHA

Overall impression

73. The earlier mark consists of the plain words ‘HAPPY BUDDHA’ with no other elements. As I have already found, the particular formation of the words results in the word ‘HAPPY’ qualifying, or characterising, the word ‘BUDDHA’. Consequently, although both words, in combination, dominate the overall impression of the mark, I am of the view that the word ‘BUDDHA’ has a degree more impact and provides a slightly greater contribution.

74. The contested mark is in word-only format and comprises the words ‘CHEERFUL BUDDHA’. The word ‘CHEERFUL’ will be widely understood as meaning noticeably happy and optimistic,[10] while the word ‘BUDDHA’ will be attributed the same meaning as in the earlier mark, namely, a person who has attained full enlightenment, or, possibly, the philosopher upon whose life and teachings the religion of Buddhism is based. As was the case with the earlier mark, the word ‘CHEERFUL’ is an adjective which qualifies the noun ‘BUDDHA’. The resulting combination will be understood as meaning a person who has attained full enlightenment (or the founder of Buddhism) who is noticeably happy and optimistic. Due to the particular formation of the words, while both, in combination, dominate the overall impression of the mark, the word ‘BUDDHA’ has a degree more impact and provides a slightly increased contribution.

Visual comparison

75. The opponent has conceded that the first word elements of the competing marks, when taken alone, are visually dissimilar. However, the opponent has submitted that the second word elements are visually identical, resulting in at least a medium degree of visual similarity between the competing marks.

76. The applicant has accepted that the second word elements of the competing marks are identical but has contended that the first word elements are visually very different. In this regard, the applicant has highlighted that the first word elements are different in length and share only one common letter.

[10] https://www.lexico.com/definition/cheerful

77. Visually, the competing marks are similar because they share the same second word. This identical word element appears in the same position in both marks and I have already found that this word provides a slightly greater contribution to the respective overall impressions. The competing marks are visually different insofar as this word in the contested mark is preceded by the word 'HAPPY', whereas, in the earlier mark, it is preceded by the word 'CHEERFUL'. I agree that these two words are visually very different, in constituent letters as well as in length. I also accept that this diverging element appears at the beginning of the competing marks, a position which is generally considered to have more impact due to consumers in the UK reading from left to right.[11] However, bearing in mind my assessment of the overall impressions, I consider there to be a medium degree of visual similarity between the marks.

Aural comparison

78. The opponent has also conceded that the first word elements of the competing marks, when taken alone, are aurally dissimilar. However, it has submitted that the second word elements are aurally identical. As a result, it has argued that there is at least a medium degree of aural similarity between the competing marks.

79. The applicant has submitted that the first word elements are completely different aurally, highlighting that the first word elements are different lengths and have only one letter in common. It has accepted that the second word elements of the competing marks are identical.

80. Aurally, the contested mark consists of a two-syllable word followed by another two-syllable word, i.e. "CHEER-FUL-BUD-DAH". The earlier mark also comprises two two-syllable words, i.e. "HAP-PEE-BUD-DAH". The latter two syllables in both marks are identical, while the first two syllables of the competing marks will be articulated in very different ways. Taking into account the overall impressions, I consider that the marks are aurally similar to a medium degree.

[11] *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

Conceptual comparison

81. On the basis that the words ‘HAPPY’ and ‘CHEERFUL’ can be used interchangeably, as well as the identical word ‘BUDDHA’, the opponent has argued that the competing marks are conceptually identical.

82. While the applicant has accepted that the words ‘HAPPY’ and ‘CHEERFUL’ have similar positive connotations, it has submitted that they are not “automatically” interchangeable and has highlighted that there are many other words that provide the same meaning, such as joyful or contented. By reason of the foregoing, it has denied that the competing marks are conceptually similar.

83. Conceptually, as outlined above, the contested mark would be understood by consumers as referring to a person who has attained full enlightenment (or the founder of Buddhism) who is noticeably happy and optimistic. The earlier mark would be understood by consumers as referring to the same person feeling or showing pleasure or contentment. The concepts of the respective first words, whilst not identical, evoke a very similar overall concept of a/the Buddha having a positive mood or disposition. As the opponent has pointed out, the words ‘CHEERFUL’ and ‘HAPPY’ can be used interchangeably as adjectives. The existence of other such adjectives does not assist the applicant. In light of the above, I consider the marks conceptually similar to a very high degree.

Likelihood of confusion

84. 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. One such factor 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 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.

85. 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.

86. Earlier in this decision I concluded that:

- Some of the applicant's goods and services are dissimilar to the opponent's goods;

- Similarity between the remaining goods in class 5 of the application and the goods of the earlier mark varies from a low degree to between a medium and high degree;

- The remaining goods in class 30 of the application are either identical or highly similar to the opponent's goods;

- The applicant's class 32 goods are similar to the goods of the earlier mark to either a very low degree or between a low and medium degree;

- The remaining services in class 35 of the application and the opponent's goods are similar to a low or medium degree;

- Average consumers of the goods and services in classes 30, 32 and 35 are likely to be members of the general public, who would demonstrate a medium level of attention during the purchasing act;

- The purchasing process for the goods and services would be predominantly visual in nature, though I have not discounted aural considerations;

- Average consumers of the goods in class 5 of the application will include members of the general public and professional users, both of whom would demonstrate a higher level of attention during the purchasing act;

- The purchasing process for these goods would be a combination of visual and aural;

- The earlier mark possesses a medium level of inherent distinctive character;

- The overall impression of the earlier mark is dominated by the words 'HAPPY' and 'BUDDHA' in combination, though the latter has a degree more impact;

- The overall impression of the contested mark is dominated by the words 'CHEERFUL' and 'BUDDHA' in combination, though the latter has a degree more impact;

- The competing marks are visually and aurally similar to a medium degree, and conceptually similar to a very high degree.

87. 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."

88. As I have found some goods and services of the application to be dissimilar to the goods of the earlier mark, the opposition under section 5(2)(b) of the Act must necessarily fail in relation to those goods and services, namely:

> Class 5: Gelatin capsules for pharmaceuticals; tinctures for medical purposes; pharmaceutical sweets; herbal honey throat lozenges.
>
> Class 30: Honeys; honey substitutes; herbal honey; syrups and treacles; sugar.
>
> Class 35: Retail services connected with the sale of gelatin capsules for pharmaceuticals, tinctures for medical purposes, pharmaceutical sweets, herbal honey throat lozenges, honeys, honey substitutes, herbal honey, syrups, treacles and sugar.

89. In respect of the remaining goods and services, I acknowledge that the word elements at the beginning of the competing marks are visually and aurally different. Nevertheless, both marks contain the identical word element ‘BUDDHA’, which I have found to have slightly more impact in the overall impression of the marks. Taking into account the overall similarity between the marks, not least the very high level of conceptual similarity, I am of the view that the difference between the competing marks is insufficient to distinguish some of the goods and services of the applicant from the goods of the opponent. The competing marks have highly similar meanings; bearing in mind that consumers rarely have the opportunity to make side-by-side comparisons between trade marks, the average consumer may not recall the respective marks with sufficient accuracy to differentiate between them. Consumers may misremember one for the other, assuming they are one in the same. To my mind, it is likely that consumers would remember the ‘BUDDHA’ element in the mark and imperfectly recall one adjective for describing contentment instead of another. Consequently, I consider there to be a likelihood of direct confusion in respect of the goods and services which I have found to be similar to the goods of the earlier mark to at least a medium degree, namely:

> Class 30: Herbal infusions; herbal teas; coffee, tea, cocoa, artificial coffee.

Class 35: Retail services connected with the sale of herbal infusions, herbal teas and tea.

90. In my view, likelihood of direct confusion does not extend to the goods and services of the application which have a less than medium degree of similarity with the goods of the earlier mark. This is because the overall similarity between the marks is not such that the lower levels of similarity between the goods and services will be offset. Furthermore, the likelihood of direct confusion does not extend to consumers, including members of the general public and professional users, whom display a high level of attention during the purchasing process of the goods in class 5 of the application. Consumers paying a heightened level of attention are more likely to notice differences between trade marks and, certainly, I consider that to be the case here.

91. I will now consider indirect confusion in relation to the goods and services to which my finding of dissimilarity or direct confusion do not apply, namely:

Class 5: Pharmaceuticals; dietary supplements; dietetic and nutritional preparations; nutritional supplements; anti-inflammatory gels; topical first aid gels; gels for dermatological use; topical analgesic creams; medicinal herbs; herbal supplements; herbal medicine; medicinal herb infusions; medicinal herb extracts; liquid herbal supplements; herbal detoxification agents; decoctions of medicinal herb; extracts of medicinal herbs; herb teas for medicinal purposes; herbal preparations for medical use; herbal dietary supplements for persons special dietary requirements; medicinal oils.

Class 32: Soft drinks; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.

Class 35: Retail services connected with the sale of pharmaceuticals, dietary supplements, dietetic and nutritional preparations, nutritional supplements, anti-inflammatory gels, topical first aid gels, gels for dermatological use, topical analgesic creams, medicinal herbs, herbal supplements, herbal medicine, medicinal herb infusions, medicinal herb extracts, liquid herbal supplements, herbal detoxification agents, decoctions of medicinal herb, extracts of medicinal

herbs, herb teas for medicinal purposes, herbal preparations for medical use, herbal dietary supplements for persons special dietary requirements, medicinal oils, coffee, cocoa, artificial coffee, soft drinks, mineral and aerated waters, non-alcoholic drinks, fruit drinks and fruit juices, syrups for making beverages.

92. 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).”

93. I have borne in mind that these examples are not exhaustive. Rather, they were intended to be illustrative of the general approach.

94. Whilst the average consumer of these goods and services will recognise that there is a difference between the marks, they will also recognise the identical shared word ‘BUDDHA’. I have found this word element to have a degree more impact in the overall impression of both marks. Moreover, the average consumer will also recognise that the competing marks both contain an adjective for contentment which qualifies this word. Whether consciously or unconsciously, this will lead the average consumer through the mental process described in case law by Mr Purvis, namely, that there is a difference between the marks, but there is also something in common. The competing marks have highly similar meanings and have a common formulation. In relation to the goods and services of the application that I have found to be similar to the goods of the earlier mark to at least a medium degree, it is likely that the average consumer would perceive the competing marks as variant brands originating from the same undertaking. I am satisfied that the average consumer would assume a commercial association between the parties, or sponsorship on the part of the opponent, due to the shared element ‘BUDDHA’ and highly similar overall meanings. I am of the view that this likelihood of indirect confusion extends to consumers of the goods in class 5 of the application. A higher level of attention during the purchasing act will help these consumers notice the difference between the marks and, therefore, avoid direct confusion. However, the similarities between the marks will still lead these consumers through the mental process outlined above, resulting in the assumption that the competing marks are variant brands of the same or connected undertakings. For the sake of completeness, I have found a likelihood of indirect confusion in relation to the following goods:

Class 5: Dietary supplements; dietetic and nutritional preparations; nutritional supplements; medicinal herbs; herbal supplements; herbal medicine; medicinal herb infusions; medicinal herb extracts; liquid herbal supplements; herbal detoxification agents; decoctions of medicinal herb; extracts of medicinal herbs; herb teas for medicinal purposes; herbal preparations for medical use; herbal dietary supplements for persons special dietary requirements.

95. This likelihood of indirect confusion, though, does not extend to the goods and services of the application that have a lower than medium degree of similarity with the goods of the earlier mark. In my judgement, those goods and services are not sufficiently similar for consumers to assume that they originate from the same undertaking, despite the similarities between the competing marks. For these goods and services, the contested mark may still call to mind the earlier mark. Nevertheless, as stated by Mr James Mellor Q.C. as the Appointed Person in *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17, this is mere association and not indirect confusion.

CONCLUSION

96. The partial opposition under section 5(2)(b) of the Act has been partly successful. Subject to any successful appeal against my decision, the application will be refused in respect of the following goods and services:

Class 5: Dietary supplements; dietetic and nutritional preparations; nutritional supplements; medicinal herbs; herbal supplements; herbal medicine; medicinal herb infusions; medicinal herb extracts; liquid herbal supplements; herbal detoxification agents; decoctions of medicinal herb; extracts of medicinal herbs; herb teas for medicinal purposes; herbal preparations for medical use; herbal dietary supplements for persons special dietary requirements.

Class 30: Herbal infusions; herbal teas; coffee, tea, cocoa, artificial coffee.

Class 35: Retail services connected with the sale of herbal infusions, herbal teas and tea.

97. The application will become registered in the UK in relation to the following goods and services which were not opposed, or against which the opposition has failed:

Class 5: Pharmaceuticals; anti-inflammatory gels; topical first aid gels; gels for dermatological use; gelatin capsules for pharmaceuticals; topical analgesic creams; tinctures for medical purposes; herbal honey throat lozenges; pharmaceutical sweets; medicinal oils.

Class 30: Honeys; honey substitutes; herbal honey; herb sauces; chocolate confectionary; confectionery; cakes; breads; syrups and treacles; sugar, tapioca, sago, flour; preparations made from flour; preparations made from cereals; pastry; yeast, baking powder; spices.

Class 32: Beers; soft drinks; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages; shandy, non-alcoholic beers and wines.

Class 35: Advertising, marketing and sales promotions; online ordering services; retail services connected with the sale of pharmaceuticals, dietary supplements, dietetic and nutritional preparations, nutritional supplements, anti-inflammatory gels, topical first aid gels, gels for dermatological use, gelatin capsules for pharmaceuticals, topical analgesic creams, tinctures for medical purposes, medicinal herbs, herbal supplements, herbal medicine, medicinal herb infusions, medicinal herb extracts, liquid herbal supplements, herbal detoxification agents, decoctions of medicinal herb, extracts of medicinal herbs, herbal honey throat lozenges, herb teas for medicinal purposes, herbal preparations for medical use, herbal dietary supplements for persons special dietary requirements, pharmaceutical sweets, medicinal oils, honeys, honey substitutes, herbal honey, herb sauces, chocolate confectionary, confectionery, cakes, breads, syrups and treacles, coffee, cocoa, sugar, tapioca, sago, artificial coffee, flour, preparations made from flour, preparations made from cereals, pastry, yeast, baking powder, spices, beers, soft drinks, mineral and aerated waters, non-alcoholic drinks, fruit drinks and fruit juices, syrups for

making beverages, shandy, non-alcoholic beers and wines; consultancy, information and advisory services relating to all the aforesaid services.

COSTS

98. As both parties have achieved what I regard as a roughly equal measure of success, I direct that both parties should bear their own costs.

Dated this 9th day of February 2021

James Hopkins
For the Registrar