

BL O/634/22

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION 3726701

BY

KANG HU

TO REGISTER THE FOLLOWING TRADE MARK:

CEWOR

AND

OPPOSITION NO. 60002226 THERETO

BY

TIAN YITING

Background and pleadings

1. On 29 November 2021, Kang Hu (the “Applicant”) applied to register the trade mark as shown on the cover of this decision. The contested application was accepted, and published for opposition purposes in the Trade Marks Journal on 10 December 2021. Registration of the mark is sought in respect of the following goods and services:

Class 26 *Artificial plants; Artificial flowers; Artificial vegetables; Artificial fruit; Artificial bonsai trees; Artificial garlands; Artificial flower arrangements; Artificial topiaries; Artificial flowers of textile; Artificial foliage; Artificial trees [other than Christmas trees]; Artificial flowers of plastics; Artificial flowers of paper; Bouquets of artificial flowers; Artificial wreaths.*

2. On 17 February 2022, Tian Yiting (the “Opponent”) filed a Fast Track opposition. The Opponent opposed the application under Section 5(2)(a) of the Trade Marks Act 1994 (“the Act”), on the basis of its earlier United Kingdom Trade Mark (UKTM):

UKTM no. 3568408

CEWOR

Filing date 16 December 2020

Registration date 23 April 2021

3. For the purposes of this opposition, the Opponent relied upon only some of its goods in Class 20, namely:

Furniture partitions of wood; wood ribbon; placards of wood or plastics; works of art made of wood; works of art of wood, wax, plaster or plastic; works of art of bamboo; bamboo; bamboo baskets for industrial purposes; bamboo blinds; bamboo canes; bamboo furniture; industrial packaging containers of bamboo.

4. Since the filing date of the earlier mark predates that of the contested application, the Opponent’s mark is considered to be an “earlier mark” in accordance with section 6 of the Act. However, as the earlier mark has not been registered for a period of five years or more before the filing date of the application, it is not subject to the use

requirements specified within section 6A of the Act. As a consequence, the Opponent may rely upon any or all of the goods for which the earlier mark is registered without having to show that it has used the mark at all.

5. The opposition is aimed against the entire list of goods in the contested application. In its notice of opposition, the Opponent asserted that the contested application is identical to its earlier mark, and that the contested goods are either identical or similar to those of the earlier mark. The Opponent submitted that the goods at issue are likely to involve the same trade channels, and be sold and marketed in the same manner, resulting in the same users. The Opponent argued that if certain goods were not considered to be identical, then they should at least be found to be complimentary. The Opponent argued that the "...proximity of the marks is sufficient for consumers to be confused as to origin... On this basis the marks could easily be mistaken by the relevant consumer for each other...". The Opponent also contested that there is a "very real risk" that the contested mark would be considered an extension of the goods already offered by the earlier mark, which could "...clearly be misleading".

6. On 16 May 2022, the Applicant filed a counterstatement. The Applicant argued that the goods at issue are "totally uncorrelated", and it is unreasonable to assume the trade channels, users etc., would be the same, as "...there is little association with the goods in Class 26 and Class 20". More specifically, the Applicant argued that the contested goods are artificial fruits and flowers purchased for decoration, whilst the goods of the earlier mark are furniture purchased for functional purposes. The Applicant argued that a store selling artificial plants rarely sells furniture, and vice versa. The Applicant appeared to suggest that the Opponent's use of the mark was restricted to the United States.

7. The Applicant referred to the Opponent launching an artificial plant product for the first time on the same day as the Applicant launched a new product. The Applicant contended that unlike the Opponent, its use of the mark in relation to artificial plants was usual. The Applicant suggested the Opponent had "copied" the Applicant, and did so in the following terms:

"We have reason to believe that, after seeing the Applicant's products in CEWOR brand sold well in Amazon U.S. shop, the Opponent copied the

applicant's brand, opened and Amazon store in the UK and registered the mark in the UK".

8. By way of being a Fast Track Opposition, the routine filing of evidence was not permitted. Neither party requested leave to file evidence and neither party filed written submissions, over and above those made in the statement of grounds and counterstatement. No hearing was requested, so this decision is taken from the papers before me.

9. Both parties are represented. The Applicant is represented by Tony Chen, and the Opponent is represented by Marinos Cleanthous.

Decision

10. Although the UK has left the EU, section 6(3)(a) of the European Union (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 Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

Section 5(2)(a)

11. Section 5(2)(a) of the Act is as follows:

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected”

Section 5A

12. Section 5A of the Act is as follows:

“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.”

Identity of the marks

13. The Applicant neither specifically confirmed nor denied any supposed identity of the marks, as had been claimed by the Opponent. Nonetheless, the marks at issue are clearly identical. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA*, Case C-291/00, the CJEU held that:

“54... a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by the average consumer.” 44.

14. The earlier mark and the contested mark are self-evidently visually, aurally and conceptually identical.

Comparison of goods

15. Each party provided submissions as to the identity, similarity, or lack thereof, of the goods at issue. Whilst the comments are noted, the degree of similarity or identity, as the case may be, is something which fundamentally contributes to whether there is a likelihood of confusion. I must therefore conduct my own full analysis of the goods at issue.

16. The respective goods are:

17. Earlier mark	Application
Class 20: <i>Furniture partitions of wood; wood ribbon; placards of wood or plastics; works of art made of wood; works of art of wood, wax, plaster or plastic; works of art of bamboo; bamboo; bamboo baskets for industrial purposes; bamboo blinds; bamboo canes; bamboo furniture; industrial packaging containers of bamboo.</i>	Class 26: <i>Artificial plants; Artificial flowers; Artificial vegetables; Artificial fruit; Artificial bonsai trees; Artificial garlands; Artificial flower arrangements; Artificial topiaries; Artificial flowers of textile; Artificial foliage; Artificial trees [other than Christmas trees]; Artificial flowers of plastics; Artificial flowers of</i>

	<i>paper; Bouquets of artificial flowers; Artificial wreaths.</i>
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18. 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”.

19. 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.

20. The contested goods consist of artificial representations of plants, fruits, vegetables, flowers and trees. Such goods are ordinarily used for decorative purposes. The material used to create these goods has only been specified once (*Artificial flowers of paper*), and therefore it is to be assumed that in all other instances the material used might vary. The goods of the earlier mark vary, and include packaging, furniture and art. In relation to the works of art, the goods are made from either wood, wax, plaster, plastic or bamboo.

21. Works of art differ to decoration insofar as artworks are often designed to be focused upon, whereas decoration is often designed to be ambient. To that end, the goods at issue could be argued to have a different use and intended purposes. That having been said, in reality, works of art and decorations are similar to one another to the extent that they are both used for adornment, beautification, ornamentation, and/or embellishment purposes. Both types of goods are purchased to improve and enhance the appearance of a room, for example. They therefore have the same intended purpose, use, end user and physical nature. In addition, and contrary to the submissions of the Applicant, they are quite likely to be sold in the same stores and outlets. A consumer could quite easily and conveniently purchase a *work of art made of plastic* followed by a *bouquet of artificial flowers* on the same visit to a home furnishing retailers. In accordance with the relevant factors as identified by Jacob J. in the *Treat* case, the goods at issue are found to be at least highly similar, despite the goods at issue being in different classes. This finding also applies to the *Artificial flowers made of paper*, as although the material of paper is different from plastic, wood, bamboo etc., the factors as identified in the *Treat* case are nevertheless the same.

Average consumer and the purchasing act

22. 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.¹ 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:

¹ *Lloyd Schuhfabrik Meyer*, Case C-342/97

“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.”

23. The goods at issue have been identified as being works of art and decorations. I am not unaware of the fact that the prices of such goods can be at opposite ends of the scale, depending upon how prestigious the art and how modest the decoration. However, in *Bang & Olufsen A/S v OHIM*, Case T-460/05, the General Court stated that:

“According to the case-law, the price of the product concerned is also immaterial as regards the definition of the relevant public, since price will also not be the subject of the registration (*Joined Cases T-324/01 and T 110/02 Axions and Belce v OHIM (Brown cigar shape and gold ingot shape) [2003] ECR II 1897*, paragraph 36).”

24. The average consumer of the goods at issue can range from an avid collector of art to a consumer who purchases something decorative on a whim, and anyone and everyone in between. The level of attention can therefore vary, however, overall it is anticipated that the average consumer of the goods at issue will display a medium level of attention. The purchasing practice of the goods at issue will be primarily driven by their visual aspect, as by their very nature the goods are designed to be pleasing to the eye. I do not, however, discount the possibility of an aural component to the purchase process.

Distinctive character of the earlier trade mark

25. The Opponent has not made a direct claim that its earlier mark has acquired an enhanced degree of distinctive character, nor has the Opponent filed any evidence of use that may indicate such a position. My assessment of the degree of distinctive

character of the earlier mark is therefore to be made only on the basis of its inherent features.

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

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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

27. The earlier mark CEWOR has no obvious meaning in the English language and therefore no link to the goods at issue. As a seemingly invented word, CEWOR can be said to be inherently highly distinctive. As the marks at issue are identical, the contested mark shares this level of inherent distinctiveness.

Likelihood of confusion

28. 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 and services down to the responsible undertakings being the same or related.

29. 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 (see *Sabel*, C-251/95, para 22). 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 services and vice versa (see *Canon*, C-39/97, para 17). It is necessary for me to keep in mind the distinctive character of the Opponent's trade mark, the average consumer for the 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 he has retained in his mind.

30. According to the interdependency principle, a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services, and vice versa². The marks at issue have been found to be identical, whilst the goods at issue are considered to be at least highly similar. I have found the goods to have the same intended purpose, use and physical nature, and to be sold in the same stores. I have also found the end user/consumer to be one and the same, and to be someone who pays a medium degree of attention during the visually-dominated purchasing process. In light of the above, I find it relatively clear that the average consumer would mistake one mark for the other, which must lead to a conclusion of direct confusion.

31. In reality, the average consumer could be forgiven for thinking that the artwork sold under the mark CEWOR belonged to the same, or an economically linked, undertaking as that responsible for the decorations sold under the identical mark CEWOR. This is

² *Canon* paragraph 17

especially so when the respective goods are encountered in the same store, regardless of whether or not they are side-by-side on the same shelf (although they certainly could be).

Conclusion

32. The opposition has been successful. Subject to appeal, the contested application will be refused in its entirety.

Costs

33. The Opponent has been successful and is entitled to a contribution towards its costs. I bear in mind that the relevant scale is contained in Tribunal Practice Notice 2/2015, which governs costs in Fast Track proceedings issued after 1 October 2015. In the circumstances I award the Opponent the sum of £200 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Fee for the Opposition	£100
Considering the counterstatement of the other side	£100
Total	£200

34. I therefore order Kang Hu to pay Tian Yiting the sum of £200. 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 26th day of July 2022

Dafydd Collins

For the Registrar