

O/0181/23

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 3668695
IN THE NAME OF DENGO CHOCOLATES S.A.
FOR THE TRADE MARK:**

CAFUNÉ DENGO

IN CLASS 30

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY
UNDER NO. 504386
BY LA FANTANA SRL**

Background and pleadings

1. Dengo Chocolates S.A. (“the proprietor”) is the registered proprietor of the trade mark **CAFUNÉ DENGO**, under registration number 3668695 (“the contested mark”). The contested mark was filed on 14 July 2021 and was entered into the register on 12 November 2021. It stands registered in respect of ‘*chocolates*’ in class 30.

2. On 25 November 2021, LA FANTANA SRL (“the applicant”) made an application for a declaration of invalidity in respect of the contested mark pursuant to section 47(2) of the Trade Marks Act 1994 (“the Act”). The application is based upon section 5(2)(b) of the Act. The applicant relies upon its comparable UK trade mark number 916048787 (“the earlier mark”),¹ which consists of the following:

KAFUNE

3. The earlier mark was filed on 15 November 2016 and became registered on 10 April 2017 in respect of a range of goods and services in classes 11, 29, 30, 31, 35 and 39. For the purposes of the application, the applicant relies upon some of its goods, namely, ‘*baked goods, confectionery, chocolate and desserts; sugars, natural sweeteners, sweet coatings and fillings; pastries, cakes, tarts and biscuits (cookies)*’ in class 30.

4. The applicant’s trade mark qualifies as an earlier trade mark under section 6 of the Act. As it had not completed its registration process more than five years before the date of the application for invalidation, it is not subject to the proof of use provisions specified in section 47(2B) of the Act. Consequently, the applicant is entitled to rely upon the goods identified, without having to demonstrate genuine use.

¹ On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all right holders with an existing EUTM. As a result of the applicant’s EUTM number 16048787 being registered as at the end of the Implementation Period, a comparable UK trade mark was automatically created. The comparable UK mark is now recorded on the UK trade mark register, has the same legal status as if it had been applied for and registered under UK law, and retains its original filing date.

5. The applicant essentially contends that the competing marks are similar and, given the goods for which the contested mark has been registered, there is a likelihood of confusion.

6. The proprietor filed a counterstatement denying the ground of invalidation. Whilst the proprietor concedes that its goods are identical to '*chocolate*' in class 30 of the earlier mark, it denies that the marks are similar or that there is a likelihood of confusion.

7. Both parties are professionally represented; the applicant by Cosmovici Intellectual Property SaRL and the proprietor by Lara Grant.² Only the applicant filed evidence in these proceedings. Neither party requested a hearing and only the applicant elected to file written submissions in lieu of attendance. This decision is taken following a careful perusal of all the papers before me.

8. 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 and, therefore, this decision continues to refer to the trade mark case law of the EU courts.

Evidence and submissions

9. The applicant's evidence is given in the witness statement of Cristian Amza, dated 25 August 2022, and four accompanying exhibits (CA1 to CA4). Cristian Amza is the applicant's legal representative. The purpose of their statement is to give evidence on the background of the applicant and its use of the earlier mark.

10. As noted above, the applicant filed written submissions in lieu of a hearing.

² I note that the proprietor was professionally represented by Groom Wilkes & Wright LLP until 19 July 2022. After their removal as the proprietor's representatives, the proceedings were suspended pending the provision of an address for service in compliance with rules 11 and 12 of the Trade Marks Rules 2008. On 11 August 2022, Lara Grant was appointed as the proprietor's new professional representative, allowing the proceedings to continue.

11. I have read all of the evidence and submissions and will return to them to the extent I consider necessary in the course of this decision.

Decision

The law

12. Section 5(2)(b) of the Act has application in invalidation proceedings because of the provisions of section 47 of the Act, which states as follows:

“47. – (1) [...]

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

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

[...]

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

[...]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.”

13. Section 5(2)(b) of the Act reads as follows:

“5(2) A trade mark shall not be registered if because -

[...]

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

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

14. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

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

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

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other

components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

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

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

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

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

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

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

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

Comparison of goods

15. As conceded by the proprietor, the applied-for goods are clearly identical to '*chocolate*' in class 30 of the earlier mark.

The average consumer and the nature of the purchasing process

16. 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 (as he then was) 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.”

17. 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 in question.³

18. The goods at issue in these proceedings are available to the general public. They are likely to be purchased relatively frequently for the purposes of enjoyment or taste. The goods are inexpensive, everyday consumables. The purchasing of the goods is not likely to follow an overly considered thought process; it will be more casual than careful in nature. I find that the average consumer will demonstrate between a low and medium level of attention during the purchasing process. The goods are available in retailers, such as convenience stores and supermarkets, and their online equivalents, wherein they will be self-selected by the average consumer from shelves or after viewing information on the internet. As such, it is my view that the purchasing process will be predominantly visual in nature. However, aural considerations in the form of word-of-mouth recommendations, for instance, cannot be ruled out entirely.

³ *Lloyd Schuhfabrik Meyer*

Distinctive character of the earlier mark

19. In *Lloyd Schuhfabrik Meyer*, the Court of Justice of the European Union (“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 *WindsurfingChiemsee*, paragraph 51).”

20. 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, to those with high inherent distinctive character, such as invented words. Dictionary words which do not allude to the goods will be somewhere in the middle. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; the more distinctive the earlier mark, the greater the likelihood of confusion.

21. The earlier mark is figurative and comprises the word 'KAFUNE' presented in a slightly stylised font. The word does not have any discernible meaning but, rather, appears to be an invented word. It has no descriptive or allusive qualities. The distinctive character of the mark predominantly lies in the word itself, with the stylisation providing a minimal contribution. Overall, I find that the earlier mark possesses a high level of inherent distinctive character.

22. The distinctiveness of a mark can be enhanced as a result of it having been used in the market. The applicant has filed evidence in these proceedings and has claimed that the earlier mark benefits from an enhanced distinctive character. However, it is my view that the evidence does not support a finding that the distinctiveness of the earlier mark had been enhanced through use at the relevant date of 14 July 2021. There is a distinct lack of evidence of use of the mark in the UK and the applicant has not demonstrated that the average UK consumer has been exposed to it. Rather, the evidence appears to relate to the applicant's use of the mark and marketing activities conducted in Romania, or, at best, the EU in general. The global figures provided for turnover and marketing expenditure have not been broken down or attributed to any particular territory. In addition, given that Cristian Amza's statement also refers to the bottling and distributing of water, it is not clear what proportion of these figures solely relate to the goods relied upon. Moreover, none of the evidence of marketing activities specifically relates to the UK. In light of all this, I am unable to assess how strongly the earlier mark indicates to consumers in the UK that the goods originate from the applicant. In any event, I have found that the earlier mark has a high level of inherent distinctive character. In the circumstances, whether the earlier mark has a high or, say, very high, level of distinctive character is unlikely to have a material effect on the outcome of the proceedings.

Comparison of trade marks

23. It is clear from *Sabel* that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in

mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo* 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.”

24. Therefore, it would be wrong to dissect the trade marks artificially, 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.

25. The competing trade marks are as follows:

The earlier mark	The contested mark
	CAFUNÉ DENGÓ

Overall impressions

26. The earlier mark is figurative and consists of the word ‘KAFUNE’ in a slightly stylised font. The overall impression of the mark lies predominantly in the word, with the stylisation playing a minimal role.

27. The contested mark is in word-only format and consists of the words ‘CAFUNÉ DENGÓ’ with no additional elements. The words in the mark provide a roughly equal contribution towards the overall impression. The words in the mark do not combine to form a unit; each plays an independent distinctive role.

Visual comparison

28. The competing marks are visually similar in that five of the six letters in the earlier mark, i.e. 'A-F-U-N-E', appear in the first word of the contested mark in the same order. They visually differ insofar as the letter 'E' in the contested mark has an added accent and the first letter in the mark is a 'C', rather than a 'K'. Clearly the competing marks also differ visually in that the contested mark has an additional word which has no counterpart in the earlier mark. Bearing in mind my assessment of the overall impressions, I find that there is a medium degree of visual similarity between the competing marks.

Aural comparison

29. As the average consumer will not be familiar with the earlier mark, there are a range of potential ways it could be articulated. To my mind, the most likely of those are either 'KA-FOON', 'KA-FOON-AY', or 'KA-FUN-AY'. The contested mark could also be pronounced in a variety of ways. Due to the average consumer's relative familiarity with the sound of accented letter 'E's (due to exposure to words now common in the English vernacular such as, for example, café, fiancé and purée), it is my view that the most likely of these will be either 'KA-FOON-AY-DEN-GO' or 'KA-FUN-AY-DEN-GO'. It is likely that a significant proportion of relevant consumers will articulate the competing marks in the most similar way (for example, 'KA-FOON-AY' and 'KA-FOON-AY-DEN-GO', or 'KA-FUN-AY' and 'KA-FUN-AY-DEN-GO', respectively). For such consumers, the competing marks aurally coincide in their identical first three syllables but differ in the additional two syllables in the contested mark. Overall, I find that there is a medium degree of aural similarity between the competing marks.

Conceptual comparison

30. As noted above, the earlier mark is likely to be perceived as an invented word with no meaning. The proprietor has contended that the word 'CAFUNÉ' in the contested mark would be understood as the Portuguese word for 'the act of caressing or tenderly running fingers through a loved one's hair'. However, for a concept to be relevant, it

must be capable of immediate grasp by the relevant consumer.⁴ Firstly, the specification of the contested mark does not suggest that the goods are targeted solely at a particular audience, such as the Portuguese diaspora or speakers of the language. The goods are available to the general public at large. Moreover, while the average UK consumer is considered to have some appreciation for the more commonly understood European languages, there is no evidence that this includes Portuguese and, in any event, 'CAFUNÉ' is not a term with which the average UK consumer would be familiar.⁵ For example, it does not resemble its English counterpart, nor is it a non-English description of a product which has become established in the current language. To the contrary, the definition provided by the proprietor suggests that it is an unusual and highly specific word in Portuguese. In the absence of any evidence to the contrary, I consider it unlikely that the average consumer will be aware of its meaning. The proprietor has also argued that the word 'DENGO' would be recognised as its company name. I disagree. It is important to point out that reputation and conceptual meaning are not the same thing; reputation, in a trade mark sense, concerns the factual extent to which a sign is recognised by a significant part of the public as a trade mark, whereas conceptual meaning is a level of immediately perceptible notoriety or independent meaning, outside of a purely trade mark context.⁶ Although there are cases where an extensive reputation has transferred into conceptual meaning, these are the exception rather than the rule and depend on their own facts.⁷ Exceptional cases where trade mark reputation evolves into a conceptual meaning need to be properly proven. The proprietor has not adduced any evidence to support its assertion and I am disinclined to take judicial notice of it. Rather, it is my view that the contested mark is likely to be perceived as comprising two invented, or possibly non-English, words with no obvious or known meanings. As neither of the marks conveys a clear concept, the position is effectively neutral.

⁴ *The Picasso Estate v OHIM*, Case C-361/04 P

⁵ See *Matratzen Concord GmbH v OHIM*, Case C-3/03

⁶ *Retail Royalty Company v Harringtons Clothing Limited*, Case O/593/20, paragraphs 74-75

⁷ *Retail Royalty Company*, paragraph 76; see also, for example, Joined Cases C-449/18 P and C-474/18 P, EU:C:2020:722, *EUIPO v Messi Cuccittini and J.M.-E.V. e hijos v Messi Cuccittini*

Likelihood of confusion

31. 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 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.

32. 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.

33. Earlier in this decision, I concluded that:

- The parties' respective goods are identical;
- The average consumer of the goods is a member of the general public, who will demonstrate between a low and medium level of attention;
- The purchasing process is predominantly visual in nature, though aural considerations have not been discounted;
- The earlier mark has a high level of inherent distinctive character;
- The overall impression of the earlier mark predominantly lies in the word 'KAFUNE', whilst the stylisation plays a minimal role;

- Both words which comprise the contested mark provide a roughly equal contribution to the overall impression;
- The competing marks are visually and aurally similar to a medium degree, and conceptually neutral.

34. I note that the applicant has referred to a previous decision of the Opposition Division (EUIPO) within its written submissions.⁸ A copy of the decision has also been provided. I understand that the Opposition Division upheld an opposition against a mark identical to the contested mark based upon the EU equivalent of the earlier mark. Both parties were involved, and those proceedings also concerned the same goods. Nonetheless, it suffices to say that the Opposition Division's decision is not relevant to the present proceedings. It is well established that previous decisions of the EUIPO are not binding on the Registry. I do not consider it appropriate to take the Opposition Division's decision into account, not least because it assessed whether there was a likelihood of confusion on the part of Spanish-speaking consumers in the EU.

35. Turning to the present proceedings, I acknowledge that five of the letters in the earlier mark are contained in the first word of the contested mark. These shared letters appear at the beginning of the contested mark, a position which is generally considered to have more impact.⁹ Moreover, I accept that there is no conceptual 'hook' in either mark which would allow them to be more easily distinguished in the mind of the average consumer. Nevertheless, there are differences between the competing marks that are not negligible. It is highly unlikely that the additional word 'DENGO' in the contested mark will be overlooked by the average consumer. This word is co-dominant in the contested mark and has no counterpart in the earlier mark. The inclusion of this word also renders the contested mark noticeably longer than the earlier mark. Therefore, despite the distinctive character of the earlier mark, it is my view that the differences between the competing marks are likely to be sufficient for the average consumer – even paying a low level of attention – to distinguish between

⁸ Opposition No B 3 159 094

⁹ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

them and avoid mistaking one for the other. Accordingly, notwithstanding the principles of imperfect recollection and interdependency, it follows that there will be no direct confusion, even in relation to goods which are identical.

36. That leaves indirect confusion to be considered. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis QC, sitting 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.

17. 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).”

37. These three categories are not exhaustive. Rather, they were intended to be illustrative of the general approach, as has been confirmed by the Court of Appeal.¹⁰

38. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J (as he then was) considered the impact of the CJEU’s judgment in *Bimbo*, on the court’s earlier judgment in *Medion v Thomson*. The judge said:

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

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

¹⁰ *Liverpool Gin Distillery and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207

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

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

39. I recognise that indirect confusion has its limits and that such a finding should not be made merely because the competing marks share a common element. In this connection, it is not sufficient that a mark merely calls to mind another mark: this is mere association not indirect confusion.¹¹ The Court of Appeal has also emphasised that, where there is no direct confusion, there must be a “proper basis” for finding indirect confusion.¹² I am conscious not to artificially dissect the competing marks and I acknowledge that consumers tend to perceive trade marks as wholes. However, I have found that the word ‘KAFUNE’ dominates the overall impression of the earlier mark, whilst the word ‘CAFUNÉ’ co-dominates the overall impression of the contested mark. Further, the latter plays an independent distinctive role within the contested mark. i.e. it has a distinctive significance which is independent of the significance of the whole. It does not combine with ‘DENGO’ in any way and the contested mark is likely to be perceived by the average consumer as consisting of two separate and seemingly unconnected elements. These elements are visually and aurally highly similar. The stylisation in the earlier mark plays a minimal role. Indeed, as it is effectively a standard typeface, it may go unnoticed by the average consumer.

¹¹ *Duebros Limited v Heirler Cenovis GmbH*, Case BL O/547/17

¹² *Liverpool Gin Distillery*

Furthermore, it is possible that the first letters of these similar words, i.e. 'K' and 'C', may be misremembered or mistakenly recalled as one another. This is particularly the case, given that it is not uncommon for them to be used interchangeably and that they are often pronounced identically. Moreover, although it may not be entirely overlooked, it is entirely plausible that the average consumer may misremember whether the letter 'E' was presented with or without an accent. I have also found that neither word conveys any meaning and, therefore, there is no conceptual 'hook' to easily distinguish the words from one another in the mind of the average consumer. Given that the parties' goods are identical, it is, in my view, likely that the earlier mark and the first word of the contested mark may be imperfectly recalled as one another. The earlier mark is highly distinctive and, therefore, the average consumer may believe that only the applicant would be using it in a trade mark. Alternatively, the differences between the competing marks appear consistent with a co-branding or collaborative exercise between the parties. Taking all of the above into account, I am satisfied that the average consumer – even when paying a medium level of attention during the purchasing process – would assume a commercial association between the parties, or sponsorship on the part of the applicant, due to the highly similar elements 'KAFUNE' and 'CAFUNÉ'. Consequently, I consider there to be a likelihood of indirect confusion.

Conclusion

40. The application for invalidation under section 5(2)(b) of the Act has been successful. Subject to any successful appeal, the contested mark will be declared invalid. Under section 47(6) of the Act, the registration is deemed to have never been made.

Costs

41. As the applicant has been successful, it is entitled to a contribution towards its costs. Based upon the scale in Tribunal Practice Notice 2/2016, I award the applicant the sum of **£1,200** as a contribution towards the cost of the proceedings. This sum is calculated as follows:

Preparing a statement and considering the proprietor's statement	£200
Preparing evidence	£500
Preparing written submissions	£300
Official fees	£200
Total	£1,200

42. I therefore order Dengo Chocolates S.A. to pay LA FANTANA SRL the sum of **£1,200**. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of the proceedings if any appeal against this decision is unsuccessful.

Dated this 20th day of February 2023

James Hopkins
For the Registrar