

**O/0190/23**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. UK00003654045  
IN THE NAME OF MASIMO CORPORATION  
FOR THE TRADE MARK**

**STORK**

**IN CLASS 9, 10 AND 42**

**AND**

**THE OPPOSITION THERETO UNDER NO. 428086  
BY KARL STORZ SE & CO. KG**

## Background and pleadings

1. On 10 June 2021, Masimo Corporation (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application holds a priority date of 15 December 2020.
2. The application was accepted and published in the Trade Marks Journal on 10 September 2021 in respect of the following goods and services:

**Class 9:** *Wearable electronic devices, namely, wearable activity trackers, cameras, computer peripheral devices, data processing apparatus, and global positioning system (GPS) apparatus, that are comprised of software that communicates data to personal digital assistants, smart phones, and personal computers through worldwide global networks and other computer and electronic communication networks; Wearable digital electronic devices in the nature of wearable activity trackers, cameras, computer peripheral devices, data processing apparatus, and global positioning system (GPS) apparatus comprised primarily of software for alerts, messages, emails, and reminders, and for recording, organizing, transmitting, manipulating, reviewing, and receiving text, data, and digital files and display screens; Multifunctional electronic devices for displaying, measuring, and uploading to a worldwide computer network information related to health and wellness, activity level, heart rate, blood pressure, breathing, or blood oxygen levels; Downloadable computer software for receiving, processing, transmitting, aggregating, analyzing, displaying, and reporting physiological and vital sign information, tracking changes and reporting recommendations in the field of health and wellness; none of the aforesaid being endoscopes.*

**Class 10:** *Devices and apparatus measuring and monitoring information related to wellness, oxygenation, blood, respiratory or other health properties; Medical apparatus, namely an electronic hub wirelessly transferring continuous measurements of oxygenation, blood, respiratory and other health and wellness properties from devices to downloadable and non-downloadable software and other repositories; Wearable electronic devices, namely, monitors*

*and sensors for collecting and transmitting physiological and vital sign information for use in the field of health and wellness; none of the aforesaid being endoscopes.*

**Class 42:** *Non-downloadable computer software for wireless data communication for receiving, processing, transmitting and displaying information relating to fitness, wellness, heart rate, breathing, or blood oxygen levels; Non-downloadable computer software for the use in managing, organizing and reporting personal medical, health and wellness data collected via medical and consumer devices, mobile applications, and sensors; Software as a service (SAAS) services featuring software for receiving, processing, transmitting, aggregating, analyzing, displaying, and reporting physiological and vital sign information, tracking changes and reporting recommendations in the field of health and wellness.*

3. On 09 November 2021, Karl Storz SE & Co. KG (“the opponent”) opposed the application under Sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”).

4. Under both grounds the opponent relies on the trade marks set out below:

UK00900113654<sup>1</sup>

(“the First Earlier Mark”)

STORZ

Filing date: 01 April 1996; Date of entry in register: 23 September 1998

**Class 10:** *Medical apparatus, in particular endoscopes, except apparatus for use in the field of dental medicine.*

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<sup>1</sup> On 1 January 2021, the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable UK trade marks for all right holders with an existing EUTM. As a result, the opponent’s earlier mark was automatically converted into a comparable UK trade mark. Comparable UK marks are now recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and the original filing dates remain the same.

WO0000000714808

# STORZ

**KARL STORZ — ENDOSKOPE**

("the Second Earlier Mark")

International registration date: 21 January 1999

UK Designation date: 21 January 1999

Date of protection of the international registration in UK: 04 January 2002

Priority date: 24 July 1998

**Class 9:** *Endoscopes for technical use and parts thereof; probes for technical use; illuminating and lighting installations and apparatus, in particular for endoscopy; cameras, in particular CCD-cameras, in particular for endoscopy; microscopes; adapters and cables for connecting cameras to endoscopes; picture reproduction and picture recording apparatus, in particular for endoscopy; high frequency apparatus and instruments; training, teaching and instructing installations and apparatus; test and check installations and safe keeping and transport receptacles for said apparatus and instruments; data processing apparatus, data media, documentation installations and apparatus for endoscopy; all the aforesaid goods being endoscopic instruments or goods for use therewith.*

**Class 10:** *Surgical, medical, dental and veterinary apparatus and instruments; orthopedic articles; suture materials; test and check installations and safe keeping and transport receptacles for aforesaid apparatus and instrument; suction and rinsing apparatus for medical applications; high frequency apparatus and instruments; ultrasonic apparatus and instruments for medical applications, ultrasonic generators; high-frequency voltage generators for surgical applications.*

**Class 11:** *Cleaning apparatus, sterilizers, autoclaves for medical applications.*

**Class 16:** *Printed matter, bookbinding material; instructional and teaching material (except apparatus); brochures; catalogues; photographs.*

**Class 17:** *Flexible pipes, not of metal.*

**Class 35:** *Advertising; consultation services in connection with advertising.*

**Class 41:** *Publishing and editing printed matter, also in the form of electronic media; education and teaching, providing of training.*

**Class 42:** *Computer programming.*

5. By virtue of their earlier filing dates, the above registrations constitute earlier marks within the meaning of Section 6 of the Act. Both earlier marks had completed their registration processes more than five years before the priority date of the contested mark and are therefore subject to the proof of use provisions contained in Section 6A of the Act.

6. Under Section 5(2)(b), the opponent claims that there is a likelihood of confusion because the goods and services are identical or highly similar, and the contested mark is highly similar to the earlier marks.

7. Under Section 5(3), the opponent states that it is a major manufacturer and supplier of medical apparatus and instruments and that it has used the name 'STORZ' for 75 years. The opponent states that it set up a UK site in 1995 to assist with customer service and production in the UK and that as a result of this continual use in the medical field and the support and collaboration with prestigious medical facilities and leading doctors in the UK as well as supporting training centres, it has a strong reputation in the UK. Accordingly, the opponent claims that given its reputation, the applicant will gain an unfair advantage by adopting the contested mark. The opponent's claim that there would be unfair advantage seems to be pleaded on the basis that consumers will assume that the marks denote the same origin; in this connection, the opponent appears to state that consumers will assume that the applicant's goods and services have a level of quality services because they trust the

services associated with the opponent, which, in turn, will enable “*the applicant to ride on the coats tails of its success*”. The opponent also claims detriment to the distinctive character and reputation, if the applicant’s goods and services are of lower quality than those provided by the opponent.

8. The applicant filed a counterstatement in which it denies the grounds of opposition and put the opponent to proof of use.

9. Both parties filed evidence during the evidence rounds. I shall refer to the evidence to the extent that I consider necessary.

10. The applicant is represented by Fieldfisher LLP. The opponent is represented by Murgitroyd & Company.

11. A hearing took place (remotely) on 6 December 2022 at which Ms Eleanor Coates (of Murgitroyd & Company) represented the opponent. Mr Hastings Guise (of Fieldfisher LLP) appeared for the applicant.

## **EU Law**

12. 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 Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

## **The evidence**

13. The opponent’s evidence consists of three witness statements, one by Mark Martin and two by Eleanor Gail Coates.

14. Mr Martin, who is the sale and marketing director at the opponent’s company, provided a witness statement dated 18 May 2022, accompanied by 6 exhibits (MM1-

MM6). Ms Coates, who is a trade mark attorney at the firm representing the opponent in these proceedings (and appeared at the hearing), provided a first witness statement dated 20 May 2022 (accompanied by one exhibit EGC-1) and a second witness statement dated 10 October 2022 (accompanied by three exhibits EGC1-3) in reply to the applicant's evidence.

15. The applicant's evidence consists of a witness statement by Stacey Orsat, the director of the applicant's company. Ms Orsat's witness statement is dated 23 July 2022.

## **DECISION**

### **Proof of use**

16. The proof of use provisions are at Section 6A of the Act, which at the relevant date reads:

“(1) This section applies where

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes –

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5)-(5A) [Repealed]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

17. As the first earlier mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

“7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.



(2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM ; and

(b) the references in section 6A to the United Kingdom include the European Union”.

18. Section 100 of the Act is also relevant and states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

19. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) summarised the law relating to genuine use as follows:

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009]

ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor

does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at

[39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

20. Pursuant to Section 6A of the Act, the relevant period for assessing whether there has been genuine use of the earlier marks is the five-year period ending with the priority date of the application in issue, namely 16 December 2015 to 15 December 2020.

21. As the opponent’s first earlier mark is a comparable mark and the relevant period for proof of use expires before IP Completion Day (31 December 2020), the relevant territory for the assessment I am required to make is the EU. Tribunal Practice Notice 2 of 2020 explains, in fact, that “*where all or part of the relevant five-year period for genuine use under sections 6A, 46(1)(a) or (b), or 47 falls before IP Completion Day [31 December 2020], evidence of use of the corresponding EUTM in the EU in that part of the relevant period before IP Completion Day will be taken into account in determining whether there has been genuine use of the comparable trade mark. For that part of the relevant period, for the purposes of the genuine use assessment, the EU will be taken to include the UK.*”

22. In *Awareness Limited v Plymouth City Council*, Case BL O/236/13, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance)

comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

and further at paragraph 28:

“28. .... I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

23. I will now turn to consider the evidence of use.

The opponent’s evidence establishes that it commenced use of the name ‘STORZ’ in the UK in February 1995 when its first UK subsidiary company adopted the name ‘KARL STORZ ENDOSCOPY UK LIMITED’. The nature of the business in the Companies House records is *“manufacture of medical and dental instruments and supplies and retail sale of medical and orthopaedic goods in specialised stores (not including hearing aids) not elsewhere classified”*, and this has been the opponent’s area of business in the UK since 1995. The opponent has two offices in the UK (in Slough and Dundee) and has 215 employees.

24. The opponent’s turnover for the years 2016-2021 is as follows:

2021	£71,018,000
2020	£60,523,000
2019	£54,815,000
2018	£48,916,000
2017	£48,108,000
2016	£46,673,000
Total	£330,053,000

25. The turnover figures are not broken down by product, but Mr Martin says that the opponent manufactures and distributes approximately 15,000 medical and veterinary apparatus, instruments and devices. According to Mr Martin:

- (a) the opponent's products relate to *“airway management, cartilage removal, biopsy sets, arthroscopy and sports medicine, diagnostic apparatus, positioning aids for surgery, imaging systems, suction and irrigation systems, unipolar and bipolar electrodes, sheaths, forceps, embryo transfer, Laparoscopy, thoracoscopy, [and] shock wave systems”*;
- (b) the opponent also provides *“systems for documentation and patient record keeping, monitors, screens, and touch screens for use in operating theatres for retrieving and recording patient notes and software solutions”* – the latter are referred to as the opponent's *“AIDA, ORI and SCENARA sub-ranges”*;
- (c) all of the opponent's ranges are dual branded with the 'STORZ' logo. The opponent uses its 'STORZ' name as the main company name and indicator of origin, across the full range of products;
- (d) the opponent provides support services *“in otorhinolaryngology, gynaecology, and urology, providing physicians in private practice not only with product consultation but also advice on billing options, financing, service, and maintenance as well as training offers for physicians and practice staff. It also provides modular room systems for examination, procedure rooms and operating theatres so that the surgical and medical apparatus is designed to optimize the structure, workflow and quality of the medical examination process under its ORI sub-range of medical and surgical apparatus”*;

(e) the opponent's products are aimed "at diagnostics, examination and procedures and recording the procedures and enabling patient records to be utilised and updated".

26. The opponent's customers for human healthcare are the biggest healthcare providers in the UK including the NHS, Nuffield Health Headquarters, Circle Health Group Ltd and Spire Healthcare Ltd, and the opponent supplies 1664 hospital and clinic accounts in the UK. Mr Martin also states that the opponent is an authorised supplier of the NHS Supply Chain (NHSSC) and that in terms of endoscopy it has a 65.4% share, according to NHSSC data in 2021.

27. The opponent's customers for veterinary healthcare are the biggest veterinary providers in the UK, including the Royal Veterinary College, Vet4Pets Limited, Linnaeus Veterinary Ltd and Independent Vetcare Limited, and the opponent supplies 885 practice accounts.

28. The opponent's advertising spend in the UK for the years 2016-2021 is as follows:

2021	£2,465,000
2020	£839,000
2019	£1,121,000
2018	£1,559,000
2017	£1,388,000
Total	£7,372,000

29. Mr Martin's evidence is corroborated by various documents, including screenshots from the opponent's website, extracts from product catalogues (dated 2015-2019), and samples of invoices (dated between 2016 and 2022).

### **Conclusions on proof of use**

30. The opponent relies on the above evidence in order to establish genuine use of the earlier marks for all of the registered goods and services. It must be observed that,

in his statement, Mr Martin gave evidence that use of the name 'STORZ' in the UK has been widespread and longstanding. In this connection, the evidence establishes that the mark 'STORZ' has been used in the UK for nearly 30 years (since 1995), that the opponent supplies 1664 hospital and healthcare clinic accounts and 885 veterinary practice accounts and that the opponent has a 65.4% share of the surgical endoscopy supply of the NHS Supply Chain. In the relevant five-year period, the UK sales turnover under the mark 'STORZ' were substantial, amounting to nearly £260million. The UK marketing figures for the same period were also significant, amounting to nearly £5million.

31. There are plenty of examples of the second earlier mark being used (as registered) on product catalogues and invoices which are within the relevant period. Admittedly, the first earlier mark always appears to be used in conjunction with the name 'KARL', however, as this mark is a word mark, its distinctiveness lies in the word itself, and having regards, inter alia, to the practice of using surnames either in conjunction with names or independently, the joint use of the registered mark 'STORZ' with the name 'KARL' does not alter its distinctive character because the element 'STORZ' does not lose its autonomous identification function in the overall impression of the mark in the form used.<sup>2</sup>

32. Taking all of the above evidence into account, I am satisfied that the opponent has proven to the requisite legal standard, through the turnover and marketing figures, the invoices, the catalogues and the other documents produced, genuine use of the first and second earlier mark in connection with the supply of surgical endoscope systems and devices in the UK within the relevant period. Further, I consider this use to be sufficient use of the mark in the EU for the purpose of establishing genuine use of the first earlier mark prior to 31 December 2020.

### **Fair specification**

33. The final issue I need to resolve is deciding on a fair specification for the earlier registrations.

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<sup>2</sup> *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22



34. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

35. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows (at [47]):

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably

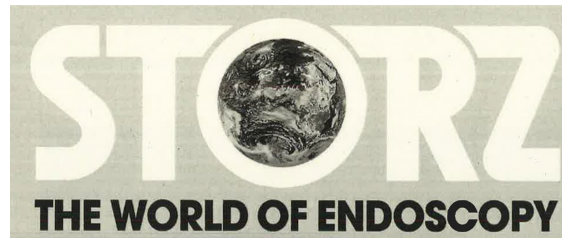
be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

36. In *Merck KGaA v Merck Sharp & Dohme Corp & Ors* [2017] EWCA Civ 1834 (Court of Appeal), a case which concerned pharmaceutical substances and preparations, Kitchen LJ held that it was well established that (1) a category of goods/services may contain numerous subcategories capable of being viewed independently and, (2) the purpose and intended use of a pharmaceutical product are of particular importance in identifying the subcategory to which it belongs.

37. Although I note that during her oral submissions, Ms Coates referred several times to the opponent having 15,000 medical products, all of the evidence points to the opponent's goods being endoscopes and endoscopy-related goods. In particular, the opponent's website ([www.karlstorz.com](http://www.karlstorz.com)) describes the brand 'KARL STORZ' as the "leading endoscope manufacturer", and the company's reports describe the opponent's main area of business as consisting of "the provision of quality products and services within the surgical endoscopy market in the UK as well as the construction of integrated operating theatres". The catalogues and the invoices exhibited in evidence also shows that the opponent supplies surgical endoscopy solutions in the field of human and veterinary medicine by developing and manufacturing, inter alia, endoscopes, endoscope units and accessories (such as for example, monitors, endoscope adaptors, suction pumps, footswitches, equipment

carts) as well as medical equipment, instrument sets, integrated operating rooms and documentation systems, all for use with endoscopes and/or in endoscopic procedures and surgery. The opponent also offers maintenance and support services. The cover pages and the extracts from the catalogues also indicate that the goods are endoscopes, as shown by the images below:



38. Based on the above, I am satisfied that the opponent has made genuine use of the marks in relation to endoscopes, endoscopic apparatus, endoscopic accessories, instruments for use with endoscopes and integrated operating theatres. I consider therefore that the opponent can rely on the goods covered by the second earlier mark's specification in class 9, all of which are *endoscopic instruments or goods for use therewith*.

39. As regards the goods in class 10, the first earlier mark's specification covers "*medical apparatus, in particular endoscopes, except apparatus for use in the field of dental medicine*". This includes any type of medical apparatus, since the words "*in particular*" do not limit the specification to the particular goods that follow and, as such, is too broad including goods that are different from endoscopes and do not belong to the same group or category as those for which the mark has been used. Hence, I consider that a fair specification for this mark is *Medical apparatus, namely endoscopes*.

40. The class 10 specification of the second earlier mark is *Surgical, medical, dental and veterinary apparatus and instruments; orthopedic articles; suture materials; test and check installations and safe keeping and transport receptacles for aforesaid apparatus and instrument; suction and rinsing apparatus for medical applications; high frequency apparatus and instruments; ultrasonic apparatus and instruments for medical applications, ultrasonic generators; high-frequency voltage generators for surgical applications*. There is no evidence of endoscopes having applications in the field of dental medicine, and no evidence of use of the marks in relation to *dental apparatus and instruments*. Further, the general term *Surgical, medical, and veterinary apparatus and instruments* encompasses any type of apparatus and instruments for surgical, medical, and veterinary use, but the opponent has made genuine use of the mark in respect of only endoscopes. I consider that the average consumer would fairly describe the goods in relation to which the mark has been used as *endoscopes or apparatus and instruments for use with endoscopes* and I find that a fair specification which reflects the use made is “*surgical, medical, and veterinary apparatus and instruments, all being endoscopes or for use with endoscopes*”. Finally, as regards the remaining goods in class 10, namely *orthopedic articles; suture materials; test and check installations and safe keeping and transport receptacles for aforesaid apparatus and instrument; suction and rinsing apparatus for medical applications; high frequency apparatus and instruments; ultrasonic apparatus and instruments for medical applications, ultrasonic generators; high-frequency voltage generators for surgical applications*, although some of the goods listed are apparatus and instruments that are part of - or could be used with - endoscopes, they do not add anything to the first part of the specification (i.e. *surgical, medical, and veterinary apparatus and instruments, all being endoscopes or for use with endoscopes*), upon which I found that the opponent can rely.

41. Lastly, there is no evidence of use of the mark in relation to any of the following goods and services:

**Class 11:** *Cleaning apparatus, sterilizers, autoclaves for medical applications.*

**Class 16:** *Printed matter, bookbinding material; instructional and teaching material (except apparatus); brochures; catalogues; photographs.*

**Class 17:** *Flexible pipes, not of metal.*

**Class 35:** *Advertising; consultation services in connection with advertising.*

**Class 41:** *Publishing and editing printed matter, also in the form of electronic media; education and teaching, providing of training.*

**Class 42:** *Computer programming.*

42. For the avoidance of doubt, I should say that whilst the opponent might publish and distribute catalogues to advertise its own products, and instructions and information to be used in connection with the medical devices it manufactures, it must be borne in mind that this is part and parcel of the opponent's business, and cannot be regarded as in itself constituting an offer of printed matters or advertising services or publishing services in classes 16, 35 and 41 to third parties. Use which is private or purely internal to an undertaking does not show that there has been genuine use of the earlier mark for these goods and services.

43. Finally, whilst the opponent might develop various software that are integrated in the final goods it sells, that is not the same as providing computer programming as a separate service.

### **Section 5(2)(b)**

44. Section 5(2)(b) of the Act is as follows:

“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”.

45. 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.”

46. 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**

47. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the Court of Justice of the European Union (CJEU) stated that:

“23. 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 complementary.”

48. Guidance on this issue was also given by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] RPC 281. At [296], he identified the following relevant factors:

- (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.

49. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU held that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods or services. The GC clarified the meaning of “complementary” goods or services in *Boston Scientific Ltd v OHIM*, Case T-325/06, at paragraph 82:

“[...] 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.”



50. The General Court (GC) confirmed in *Gérard Meric v OHIM*, Case T-133/05, paragraph 29, 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:

“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”.

51. The goods and services to be compared are as follows:

The applicant's goods	The opponent's goods
<p><b>Class 9:</b> <i>Wearable electronic devices, namely, wearable activity trackers, cameras, computer peripheral devices, data processing apparatus, and global positioning system (GPS) apparatus, that are comprised of software that communicates data to personal digital assistants, smart phones, and personal computers through worldwide global networks and other computer and electronic communication networks; Wearable digital electronic devices in the nature of wearable activity trackers, cameras, computer peripheral devices, data processing apparatus, and global positioning system (GPS) apparatus comprised primarily of software for alerts, messages, emails, and reminders, and for recording, organizing,</i></p>	<p><b>The first earlier mark</b>  <b>Class 10:</b> <i>Medical apparatus, namely endoscopes.</i></p> <p><b>The second earlier mark</b>  <b>Class 9:</b> <i>Endoscopes for technical use and parts thereof; probes for technical use; illuminating and lighting installations and apparatus, in particular for endoscopy; cameras, in particular CCD-cameras, in particular for endoscopy; microscopes; adapters and cables for connecting cameras to endoscopes; picture reproduction and picture recording apparatus, in particular for endoscopy; high frequency apparatus and instruments; training, teaching and instructing installations and apparatus; test and check installations and safe</i></p>

*transmitting, manipulating, reviewing, and receiving text, data, and digital files and display screens; Multifunctional electronic devices for displaying, measuring, and uploading to a worldwide computer network information related to health and wellness, activity level, heart rate, blood pressure, breathing, or blood oxygen levels; Downloadable computer software for receiving, processing, transmitting, aggregating, analyzing, displaying, and reporting physiological and vital sign information, tracking changes and reporting recommendations in the field of health and wellness; none of the aforesaid being endoscopes.*

**Class 10:** *Devices and apparatus measuring and monitoring information related to wellness, oxygenation, blood, respiratory or other health properties; Medical apparatus, namely an electronic hub wirelessly transferring continuous measurements of oxygenation, blood, respiratory and other health and wellness properties from devices to downloadable and non-downloadable software and other repositories; Wearable electronic devices, namely, monitors and sensors for collecting and transmitting physiological and vital sign information for use in the field of health*

*keeping and transport receptacles for said apparatus and instruments; data processing apparatus, data media, documentation installations and apparatus for endoscopy; all the aforesaid goods being endoscopic instruments or goods for use therewith.*

**Class 10:** *Surgical, medical, and veterinary apparatus and instruments, all being endoscopes or for use with endoscopes*

*and wellness; none of the aforesaid being endoscopes.*

**Class 42:** *Non-downloadable computer software for wireless data communication for receiving, processing, transmitting and displaying information relating to fitness, wellness, heart rate, breathing, or blood oxygen levels; Non-downloadable computer software for the use in managing, organizing and reporting personal medical, health and wellness data collected via medical and consumer devices, mobile applications, and sensors; Software as a service (SAAS) services featuring software for receiving, processing, transmitting, aggregating, analyzing, displaying, and reporting physiological and vital sign information, tracking changes and reporting recommendations in the field of health and wellness.*

52. Most of the applicant's focus in defending its case is on showing that the goods offered by the parties are dissimilar. The applicant's analysis is based on the products effectively sold by the parties, these being endoscopic medical apparatus sold to hospitals (the opponent's goods) and apparatus for monitoring neonatal health sold to new parents (the applicant's goods).

53. In this connection, the applicant filed evidence aimed at showing that the contested mark is used in relation to a monitoring device consisting of a sensor worn by a baby to monitor the baby's vital signs. In particular, Ms Orsat, who gave evidence for the applicant, stressed that contrary to the opponent's goods which target the hospital

segment of the market, the applicant's 'STORK' product is not a specialist form of medical equipment and is not intended to be used or marketed towards medical professionals in medical facilities, but instead it targets parents who wish to monitor and measure their baby's vital signs, breathing rate and pulse oximetry at home.

54. Clearly, the purpose of applicant's evidence is to show that the parties offer different kinds of products which target consumers in different segments of the market. However, the applicant's approach to the comparison of goods and services is not the right one as it does not reflect the legal test I must apply here, that is to say consideration of notional and fair use of the contested mark across all segments of the markets for the goods/services for which the applicant seeks protection. In *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*,<sup>3</sup> the CJEU stated at paragraph 66 of its judgment that when assessing the likelihood of confusion in the context of registering a new trade mark it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered. Consequently, the fact that the parties are currently, or currently intend to, target different market segments, is irrelevant as a matter of law<sup>4</sup> if it is not implicit in the specifications as filed.

*Class 9 - Wearable electronic devices, namely, wearable activity trackers, cameras, computer peripheral devices, data processing apparatus, and global positioning system (GPS) apparatus, that are comprised of software that communicates data to personal digital assistants, smart phones, and personal computers through worldwide global networks and other computer and electronic communication networks; Wearable digital electronic devices in the nature of wearable activity trackers, cameras, computer peripheral devices, data processing apparatus, and global positioning system (GPS) apparatus comprised primarily of software for alerts, messages, emails, and reminders, and for recording, organizing, transmitting, manipulating, reviewing, and receiving text, data, and digital files and display screens; Multifunctional electronic devices for displaying, measuring, and uploading to a*

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<sup>3</sup> Case C-533/06

<sup>4</sup> See also *Bang & Olufsen A/S v OHIM*, Case T-460/05, where the General Court of the EU held that the different price points of the goods at issue is irrelevant for the purposes of opposition proceedings because it depends only on the (current) will of the parties.

worldwide computer network information related to health and wellness, activity level, heart rate, blood pressure, breathing, or blood oxygen levels; Downloadable computer software for receiving, processing, transmitting, aggregating, analyzing, displaying, and reporting physiological and vital sign information, tracking changes and reporting recommendations in the field of health and wellness; none of the aforesaid being endoscopes.

55. The applicant's mark and the second earlier mark both cover goods in class 9. I have already commented on the applicant's evidence, and I said that it is not pertinent, insofar as it is aimed at limiting the comparison I need to make to the product in relation to which the applicant uses the contested mark. Hence, I will consider the applicant's evidence only to the extent that it might shed some light on what the contested specification notionally covers.

56. In her evidence, Ms Orsat describes the 'STORK' product as a monitoring device that consists of a sensor worn by a baby and says that the monitoring device will connect information retrieved via the sensor to an in-house computer hub or mobile software app that will notify the parent or guardian of the baby's vital signs, breathing rate and pulse oximetry.

57. The fact that the respective goods are in the same class does not necessarily mean that they must be found to be similar. Section 60A of the Act provides:

**"Similarity of goods and services**

(1) For the purposes of this Act goods and services—

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification;

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification"

58. In the present case, the contested specification in class 9 excludes endoscopes, whilst all of the opponent's goods in class 9 are endoscopic instruments or goods for

use therewith. Collins English dictionary defines the term endoscope “as a long slender medical instrument used for examining the interior of hollow organs including the lung, stomach, bladder, and bowel”. The opponent’s evidence shows that endoscopes can be used to perform both examination (and diagnosis) as well as surgery.

59. The highest point of the opponent’s case is that insofar as applicant’s goods are used to monitor heart rate, blood pressure, breathing, or blood oxygen levels they could be used to evaluate general health. However, the applicant’s goods are not medical devices used in the medical sector to diagnose diseases, but wearable electronic devices synchronised with a computer, and downloadable computer software for monitoring health and wellness. Consequently, even if the applicant’s goods collect data to monitor, for example, heart rate, and can help patients to monitor an abnormal heart rhythm, they are not medical devices and would not be used in hospitals like, for example, a hospital ECG which would be able to detect heart conditions. Further, the applicant’s goods have a different nature, purpose, intended use and method of use compared to the opponent’s endoscopic goods and would not be used in operating theatres with the opponent’s endoscopes during examination or surgery. The goods are neither complementary nor in competition and, given their highly specialised nature (and in the absence of evidence about trade channels), I am not convinced that they would share the same trade channels. **These goods are dissimilar.**

*Class 10. Devices and apparatus measuring and monitoring information related to wellness, oxygenation, blood, respiratory or other health properties; Medical apparatus, namely an electronic hub wirelessly transferring continuous measurements of oxygenation, blood, respiratory and other health and wellness properties from devices to downloadable and non-downloadable software and other repositories; Wearable electronic devices, namely, monitors and sensors for collecting and transmitting physiological and vital sign information for use in the field of health and wellness; none of the aforesaid being endoscopes.*

60. Although the goods here are in a different class, similar consideration to those which led to my conclusion in relation to the goods in class 9 apply for the term

*Wearable electronic devices, namely, monitors and sensors for collecting and transmitting physiological and vital sign information for use in the field of health and wellness; none of the aforesaid being endoscopes. These goods are dissimilar.*

61. Slightly different considerations apply in my view in relation to the terms *Devices and apparatus measuring and monitoring information related to wellness, oxygenation, blood, respiratory or other health properties* and *Medical apparatus, namely an electronic hub wirelessly transferring continuous measurements of oxygenation, blood, respiratory and other health and wellness properties from devices to downloadable and non-downloadable software and other repositories; none of the aforesaid being endoscopes*. Notwithstanding the limitation “*none of the aforesaid being endoscopes*” (and despite the applicant’s comments about the applicant’s product), these goods notionally encompass medical apparatus that could be used in a hospital setting. The goods could be used in conjunction with endoscopes for clinical observation in order to monitor blood pressure and heart rate during endoscopy and might use the same technology – in this connection, the opponent’s evidence shows that it manufactures integrated endoscopic solutions which capture patients’ information and send it to local or network repositories. There is therefore a degree of complementarity and a similarity in terms of nature, although this is at a very general level, i.e. both sets of goods are medical devices using network repositories to store and access patients’ information. However, the specific purpose of the goods is different (i.e. cardiovascular monitoring versus performing endoscopy), the goods are not in competition but they might share trade channels, i.e. supplier of medical devices. These goods are in my view **similar to a low degree**.

*Class 42. Non-downloadable computer software for wireless data communication for receiving, processing, transmitting and displaying information relating to fitness, wellness, heart rate, breathing, or blood oxygen levels; Non-downloadable computer software for the use in managing, organizing and reporting personal medical, health and wellness data collected via medical and consumer devices, mobile applications, and sensors; Software as a service (SAAS) services featuring software for receiving, processing, transmitting, aggregating, analyzing, displaying, and reporting physiological and vital sign information, tracking changes and reporting recommendations in the field of health and wellness.*

62. Although these services might be used to manage and organise medical data collected via medical devices, they are one step removed from the opponent's goods. The uses, nature, purpose and methods of use of the goods and services are different, the goods and services are neither complementary nor in competition, and the trade channels do not coincide. **These goods are dissimilar.**

63. For the sake of completeness, I should say that even if I had found that the opponent could rely on *integrated operating rooms* as a subcategory of *medical apparatus* in class 10 (independent from endoscopes), I would have reached the same conclusions on the similarity of the goods and services. As shown by the opponent's own evidence, an integrated operating room is a platform on which surgical operations are performed which integrate disparate applications including, for example patient information, audio, video, surgical lights and room lights, and medical equipment and has a similar function to that of endoscopes, insofar as both goods are used for surgical procedures.

64. 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.

65. Accordingly, the opposition under Section 5(2)(b) fails in relation to the goods and services which I found to be dissimilar.

### **Average consumer**

66. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion,



it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. 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.”

67. The average consumer of the opponent’s endoscopic goods in class 10 is a hospital or a health clinic. The average consumer of the applicant’s *Devices and apparatus measuring and monitoring information related to wellness, oxygenation, blood, respiratory or other health properties and Medical apparatus, namely an electronic hub wirelessly transferring continuous measurements of oxygenation, blood, respiratory and other health and wellness properties from devices to downloadable and non-downloadable software and other repositories; none of the aforesaid being endoscopes*, could be either a hospital or health clinic, or a member of the general public who wishes to measure and monitor information related to wellness, oxygenation, blood, respiratory or other health properties at home. However, earlier in this decision I have concluded that the parties’ goods are similar only to the extent that they are both medical devices that can be used together during endoscopy procedures in which case they would have the same users – on the contrary, goods aimed at different users cannot be regarded as being complementary to each other. Consequently, it is to these goods which I would limit my considerations. Had the applicant applied for the product in relation to which it actually uses the mark, namely baby breathing and movement monitors, I would have found that the goods are dissimilar. Similarly, had the applicant applied for medical devices for home use, I would also have found that the goods are dissimilar. Hence, I am going to disregard

the applicant's comments about the average consumer of the applicant's goods being new parents paying a high degree of attention. Likewise, I will disregard the opponent's comments that the average consumer may have a low degree of attentiveness because they make a rush purchase due to being in ill health or being concerned about a seriously ill baby.


68. The goods are likely to be selected mainly visually from catalogues or websites and are likely to be purchased through a hospital procurement process whereby aural considerations may play a part. Hence the level of attention is likely to be high as various factors will need to be taken into account, including, safety, reliability, costs and technical requirements.

### **Comparison of marks**

69. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

70. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks. The respective marks are shown below:

The applicant's mark	The opponent's marks
STORK	STORZ  

71. The applicant's mark is the single word 'STORK'. The overall impression resides in the mark as a whole. The same goes for the first earlier mark, which consists of the single word 'STORZ' with no other elements.

72. The second earlier mark comprises the word 'STORZ' presented in black, large, bold, capital letters with the letter 'O' incorporating a black dot in the middle. Although the letters are slightly stylised, that does not prevent them from being read as the word 'STORZ'. The word 'STORZ' is positioned above the words 'KARL STORZ – ENDOSKOPE', which are also written in black, bold, capital letters, but in a significantly smaller size. Due to its size and central position, the word 'STORZ' is the element the eye is initially drawn to, and I find it to be the most distinctive and dominant element of this mark. The stylisation and the dot element appear to be largely decorative and plays only a small role in the overall impression of the mark, whilst the words 'KARL' assists the perception of the element 'STORZ' as a surname and is less distinctive than the latter, because (a) forenames are less distinctive than surnames and (b) the element 'STORZ' also appears in a larger size. The word element 'ENDOSKOPE' will be perceived as a misspelling of the English word 'ENDOSCOPE' which is descriptive in relation to the goods for which genuine use has been shown, and so will have little distinctiveness within the mark, although I do not consider it to be negligible.

## **Visual similarity**

73. Visually, the applicant's mark and the first earlier mark coincide through the use of the same four letters 'STOR-' which feature in the same order within the marks. However, they differ by way of the earlier mark's use of the letter 'Z' as the fifth letter and the contested mark's use of the letter 'K' in the same place. These marks are visually similar to a high degree.

74. Turning to the second earlier mark, the words 'KARL STORZ – ENDOSKOPE' and the stylisation of the letters act as points of visual difference. Overall, due to the high level of similarity of the words 'STORK' and 'STORZ', which are the dominant and distinctive element of the marks, I find these marks to be visually similar to a medium degree.

## **Aural similarity**

75. Aurally, I agree with the opponent that the phonetical differences created by the letters 'K' and 'Z' at the end of the words 'STORK' and 'STORZ' are minimal and that the two words sound very similar. Hence, I find that the applicant's mark and the first earlier mark are aurally similar to a very high degree. Turning to the second earlier mark, whilst the stylisation will not be articulated, the presence of the words 'KARL STORZ – ENDOSKOPE' - which have no counterpart in the applicant's mark - means that this mark and the applicant's mark are still aurally similar to a medium degree.

## **Conceptual similarity**

76. Conceptually, the applicant submits that 'STORK' is a well understood English word associated with babies. In her skeleton argument, Ms Coates on behalf of the opponent, accepted that 'STORK' has a dictionary meaning of a long-legged bird, however, she argued that 'STORZ' is a German surname which is not well-known in the UK and that the average consumer may assume that it is the German word for 'STORK' referring, in this connection, to the fact that the family crest for 'STORZ' in the UK has a stork on the badge. Ms Coates did not press this point at the hearing,

but in any event, I dismiss it because the average consumer does not know anything about the 'STORZ's coat of arms or family crest.

77. It is common ground between the parties that the UK average consumer will be aware of the meaning of the word 'STORK' which is defined by the Collins online dictionary as "*a large bird with a long beak and long legs, which lives near water*". Although the same dictionary also refers to the association between storks and babies stemming from the notion perpetrated in euphemistic tales to children that it brings new-born babies only in relation to the American-English meaning of the word, in my view most UK average consumer will also make that association.

78. As the word 'STORZ' in the first earlier mark appears as a single word, it will be perceived either as an invented word or as a surname. In the second earlier mark the word 'STORZ' is preceded by the first name 'KARL' and it is likely to be perceived as a surname.

79. Since the word 'STORK' in the applicant's mark conveys the concept of a bird, and the word 'STORZ' in the earlier marks will be perceived either as an invented word or as a surname, the marks are conceptually different.

### **Distinctive character of earlier mark**

80. 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).”

81. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it.

82. As I have already noted, the element ‘STORZ’ will be perceived in the earlier marks either as an invented word or as a surname. Either way, it has no descriptive or allusive significance in the context of the opponent’s goods. I find that the word ‘STORZ’ in the second earlier mark has a medium degree of inherent distinctive character, because it will be perceived as a surname, and the other elements of the mark elevate its distinctiveness to an above medium degree. Further, I find that the word ‘STORZ’ in the first earlier mark has a high or medium degree of distinctiveness, depending on whether it is perceived as an invented word or a surname.

83. Turning to the question of whether the distinctiveness of the earlier marks has been enhanced through the use made of them, the evidence shows substantial sales in the UK before the priority date of the applicant’s mark (around £50million per annum with a total turnover of nearly £260million), significant marketing expenditures (nearly £5million) and long-standing use of the mark in the UK for around 30 years. The opponent also supplies a huge number of UK hospitals and healthcare clinics (1664) and veterinary clinics (885) and has 64.5% share of the surgical endoscopy supply of the NHS Supply Chain. The invoices and the catalogues indicate that the majority of

the goods sold (or offered for sale) are endoscopes or goods to be used with endoscopes.

84. Considering all of the evidence in the round, I am satisfied that the distinctiveness of the earlier marks has been enhanced through use in relation to endoscopes to a high degree (for the second earlier mark) and high/very high degree (for the first earlier mark), respectively.

### **Likelihood of confusion**

85. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

86. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Trade Mark*, BL O/375/10, where 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.

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).”

87. Earlier in this decision I found that:

- some of the contested goods in class 10 are similar to a low degree to the opponent’s endoscopic goods. The remaining goods in the contested specification are dissimilar;
- the average consumer is a hospital or a health clinic. The goods will be selected visually – although aural consideration may play a part – with a high degree of attention;
- the first earlier mark and the applicant’s mark are visually similar to a high degree, aurally similar to a very high degree and conceptually different;
- the second earlier mark and the applicant’s mark are visually and aurally similar to a medium degree and conceptually different;



- the earlier marks are inherently distinctive to an above medium degree (the second earlier mark) and medium/high degree (the first earlier mark, depending upon how it is perceived) and their distinctiveness has been enhanced to a high and very high degree, respectively.

88. Both parties referred me at the hearing to previous decisions relating to marks which differ in their last letter. The factual analogy with those cases is not helpful, given that they relate to different marks, hence, I disregarded them.

89. Ms Coates's submissions on the likelihood of confusion were as follows (taken from her skeleton argument):

*"The average consumer will not have the opportunity to make a direct comparison of the marks and must instead rely on an imperfect recollection. It may be aware that the Opponent is a German company and assume STORK is the English equivalent. The imperfect recollection may only recall that the brand commenced with STOR and was a short five letter word."*

90. The first issue with Ms Coates's argument is that she did not say that 'STORZ' effectively means 'STORK' in English, and there is no evidence that this is the correct translation; on the contrary, the way in which she put the argument suggests to me that whether or not it is true that the German word 'STORZ' translates as 'STORK' in English was not part of her consideration, and the point was assumed only for the sake of argument.

91. Further, and more significantly, insofar as Ms Coates appears to be saying that the opponent's mark may be mis-recalled due to imperfect recollection, this statement does not sit well with the argument that the average consumer will be aware that the opponent is a German company and will assume that the word 'STORK' in the contested mark is the English equivalent of the German word 'STORZ'. The translation argument has in fact the curious effect of neutralising the imperfect recollection argument. If the average consumer, who is exposed to use of the later mark 'STORK', goes through the trouble of attempting a translation of the earlier mark 'STORZ' and arbitrarily assumes that 'STORZ' means 'STORK' in English and, on the basis of that

arbitrary (and mistaken) translation/assumption, he/she concludes that the later mark 'STORK' is the UK expression of the German brand 'STORZ', that is quite a complex mental process on the part of the average consumer which is much more intricate than getting the marks tangled up with one other in the perception and recollection of the average consumer (which is what direct confusion through imperfect recollection is). I therefore dismiss Ms Coates' argument on confusion. For the sake of completeness, I will also consider whether direct confusion between the marks might occur in a more conventional way, that is to say through the average consumer mistaking one mark for the other due to imperfect recollection.

92. The opponent's best case is based on the earlier word mark 'STORZ' which is visually and aurally more similar to the contested mark, although it is still conceptually different based on my assessment of the conceptual similarity between the marks – in this connection, I also reject the potential argument that there would be conceptual similarity based on an arbitrary (and not proven to be correct) translation assumed by the average consumer.

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

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

94. Whilst conceptual differences do not always and automatically neutralise visual and aural similarity, in my view, that is the case here. Notwithstanding the fact that the marks are visually similar to a high degree, and aurally similar to a very high degree, there is a clear, strong conceptual difference between the marks insofar as one mark is an English word which will be perceived as the name of a bird, and the other is a German word which will be perceived either as an invented word or as a surname. I also bear in mind that direct confusion is less likely to arise where the goods are not

identical or close to being so<sup>5</sup>, and in this case the goods are only similar to a low degree. Even considering that the mark 'STORZ' enjoys a very high degree of distinctiveness in respect of endoscopes, it does not assist the conclusion that there will be direct confusion because most of the distinctiveness of 'STORZ' is inherent and derives from the fact that the word has no obvious meaning to the average consumer and would therefore be taken as an invented word. Further, any increase in the likelihood of confusion as a result of enhanced distinctiveness through reputation *"inevitably diminishes as one moves away from the core products in relation to which the mark has been used"*,<sup>6</sup> and, as I have said, the contested goods in this case are only similar to a low degree to the goods in relation to which the earlier mark 'STORZ' has been used. Finally, given that the level of attention to the selection of the provider of the goods is high, and that the goods are likely to be purchased through a hospital procurement process, it is very unlikely that the two marks will be mixed up, especially given their conceptual differences and the low degree of similarity of the goods involved. There is no likelihood of direct confusion.

95. Although Ms Coates did not distinguish between direct or indirect confusion, I will also briefly consider whether there is any prospect of indirect confusion on the ground that the average consumer would perceive 'STORK' as the English translation of the German word 'STORZ' and think that 'STORK' is a UK version of the brand 'STORZ'. For similar reason to those I have outline above, I reject the argument about the assumed translation as being speculative. In addition, there is no evidence that it is a very common pattern in the relevant medical field to adopt translated versions of the same brand in different countries. Indirect confusion is not likely. The Section 5(2)(b) ground of opposition fails.

### **Section 5(3)**

96. Section 5(3) states:

"(3) A trade mark which-

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<sup>5</sup> BL- O/382/16, *CALEDONIAN Trade Mark*

<sup>6</sup> BL-O/016/10, *ROJA DOVE Trade Mark*

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark”.

97. Section 5(3A) states:

“(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected”.

98. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel*, paragraph 42

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is

clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

99. The relevant date for the assessment under Section 5(3) is the priority date of the application at issue, being 15 December 2020.

## **Reputation**

100. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation ‘in the Member State’. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation ‘throughout’ the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

101. Earlier in this decision, I found that the opponent's marks benefit from an enhanced degree of distinctive character in relation to endoscopes. I find also that these marks have reached the knowledge threshold, and therefore the requisite

reputation for those goods, but not for the wider goods and services relied upon under this ground.

102. I find that the opponent's reputation in relation to endoscopes is strong.

## Link

103. As noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

*The degree of similarity between the conflicting marks.* The first earlier mark and the applicant's mark are visually similar to a high degree, aurally similar to a very high degree and conceptually different. The second earlier mark and the applicant's mark are visually and aurally similar to a medium degree and conceptually different.

*The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public.* Some of the contested goods which are medical apparatus in class 10 are similar to a low degree to the opponent's endoscopic goods. The remaining goods and services in the contested specification are dissimilar.

*The strength of the earlier mark's reputation.* The opponent's marks have a strong reputation in relation to endoscopes.

*The degree of the earlier mark's distinctive character, whether inherent or acquired through use.* The earlier marks are inherently distinctive to an above medium degree (the second earlier mark) and medium/high degree (the first earlier mark, depending upon how it is perceived) and their distinctiveness has been enhanced to a high and very high degree, respectively.

Whether there is a likelihood of confusion. I found that there is no likelihood of confusion.

104. I am now required to determine whether, in this particular case, the relevant public would bring the opponent's registration to mind when confronted with the applicant's mark, thereby creating the necessary link. I am not persuaded that the earlier marks would be brought to the mind of the relevant public when seeing the contested mark used for the goods which I found to be similar only to a low degree. In relation to the goods and services which I found to be dissimilar, this is even more unlikely especially if one considers that notional use of these goods cover the applicant's baby monitor products, as, in such case (1) the users are likely to be different, being parents who wish to monitor their baby home (2) even if baby monitors could be used in an hospital setting, use of the mark 'STORK' in relation to baby monitor products would reinforce the symbolism of the concept conveyed by the word 'STORK' (insofar as average consumer would perceive the connection with the story that storks deliver babies) and emphasise the conceptual differences between the marks.

105. However, in case I am wrong in this, I will consider whether damage would occur were there to be a link.

106. The opponent's claim under this ground seems to be based on the risk of confusion. The case as pleaded is as follows:

"Given the Opponent's reputation, the Applicant will gain an unfair advantage by adopting a similar mark such as the mark the subject of the Application to the extent therefore that any of the goods or services of the Application are deemed to be different. Consumers will assume the products and services to have a level of quality of service, and importantly for medical apparatus or apparatus designed to monitor health and wellness, trust in the services associated with the Opponent, enabling the Applicant to ride on the coat tails of its success. Detriment will be caused if the Applicant's services are not provided at the same quality. This will impact the distinctive character and repute of the earlier Mark. In turn, any services being offered under the mark bearing the Applicant's mark may lead to unintended take up of the goods and services."



107. Ms Coates' skeleton argument confirmed my impression that the claim under Section 5(3) is based on the risk of confusion:

"The Opponent has, as set out in paragraph 13 of the Witness Statement, spent nearly £7,500,000 million pounds on the promotion of its medical apparatus and supporting goods and services in the UK alone. The STORZ brand is the unifying parent brand and appears on all of its marketing and promotion. The Applicant will benefit from this level of investment as consumers will assume its hospital grade sensor equipment will originate from the well-known manufacturer of medical apparatus and therefore be a quality, trusted medical piece of equipment. Further, the Opponent company is known to be German in origin, and generally in the UK, German designed and manufactured equipment is highly regarded as being superior. This factor, with the average consumer having the potential to remember the brand was STOR\* with imperfect recollection or assume that STORK is the English variant for STORZ, will give the Applicant an unfair advantage.

There is also a significant risk to detriment to the Opponent. Devices being sensors of vital signs or medical apparatus are being purchased and relied upon by consumers to protect life. Should there be an issue as the quality or accuracy of the devices, comprising the health or providing an incorrect analysis, and it to be associated with the Opponent, there would be significant detriment to its business and reputation. The reputation of a supplier of medical equipment has to be unblemished."

108. Claiming that use of the contested mark in relation to the contested goods and services would cause consumers to believe that there is a trade connection between the user of this mark and the earlier marks is effectively an argument that there is a likelihood of direct or indirect confusion. The opponent's pleaded unfair advantage case therefore appears to be predicated on a likelihood of confusion. I have already considered and rejected that case in the course of examining the Section 5(2) ground. Having found that there is no likelihood of direct or indirect confusion, I also reject the

opponent's case that a perceived trade connection with 'STORZ' will give the contested mark an unfair advantage or cause damage to the earlier marks.

109. At the hearing Ms Coates attempted to argue that the opponent was relying on all three heads of damage: unfair advantage, tarnishing and dilution, however, I have checked the Form TM7, and the only box that the opponent has filled is Q4, which relates to the claim of unfair advantage. But even if the opponent had pleaded tarnishing and dilution, I would have found (1) that the claims are not properly particularised and/or that (2) no specific reason has been put forward to support the conclusion that use of the contested mark would be likely to dilute and tarnish the earlier marks' reputation.

110. The Section 5(3) ground of opposition therefore also fails.

## **OUTCOME**

111. The opposition fails.

## **COSTS**

112. 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 £1,900 as a contribution towards the cost of the proceedings. This sum is calculated as follows:

- Preparing a statement and considering the other side's statement: £300
  - Preparing evidence and considering and commenting on the other side's evidence: £800
  - Preparing for and attending a hearing: £800
- TOTAL: £1,900

113. I therefore order Karl Storz SE & Co. KG to pay Masimo Corporation the sum of £1,900. This 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 (subject to any order made by the appellate tribunal).

**Dated this 24<sup>th</sup> day of February 2023**

**Teresa Perks  
For the Registrar**