

TRADE MARKS ACT 1994

IN THE MATTER OF:

OPPOSITION No. 97505

IN THE NAME OF EVONIK DEGUSSA GMBH

TO TRADE MARK APPLICATION No. 2478786

IN THE NAME OF L G CHEM LTD

DECISION

1. On 4 February 2008 L G Chem. Ltd (“**the Applicant**”) applied to register the designation **SEPARODE** as a trade mark for use in relation to the following goods in Class 9:

Electrodes; batteries; capacitors; fuel cells; battery separator membranes for use in batteries, capacitors and fuel cells; separator plates for use in electric storage batteries, lithium batteries, capacitors and fuel cells.

2. The application was subsequently opposed by Evonik Degussa GmbH (“**the Opponent**”) under Section 5(2)(b) of the Trade Marks Act 1994. In support of its objection to registration the Opponent relied on the protection granted in the United Kingdom in respect of its international registration of the trade mark **SEPARION** for various goods including ‘*apparatus and instruments for the supply, distribution, transformation, accumulation, regulation or control of electric current*’ in Class 9 and ‘*membrane films to separate anodes and cathodes*’ in Class 17.

3. It was contended that use of the trade mark **SEPARODE** for Class 9 goods of the kind specified in the opposed application for registration, concurrently with use of the trade mark **SEPARION** for Class 9 and Class 17 goods of the kind I have identified in the specification of the Opponent's earlier trade mark registration, would be liable to give rise to the existence of a likelihood of confusion.

4. The case law of the Court of Justice relating to the scope and effect of objections under Section 5(2)(b) is conveniently summarised in the following guidelines¹.

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; Sabel BV v. Puma AG,

(b) the matter must be judged through the eyes of the average consumer of the services in question; Sabel BV v. Puma AG, 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; Lloyd Schuhfabrik Meyer & Co v. Klijsen Handel B.V.;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; Sabel BV v. Puma AG,

(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; Sabel BV v. Puma AG, 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; Shaker di L. Laudato & C. SAS v. OHIM,

(e) nevertheless, the overall impression conveyed to the relevant public by a composite trade mark may, in certain

¹ The summary is taken from the decision of Mr. Allan James in Virgin Enterprises Ltd v. Bodtrade 54 (Pty) Ltd (BL O-216/09; 23 July 2009). The Judgments cited are Case C-251/91 Sabel BV v. Puma AG [1997] ECR I-6191; Case C-342/97 Lloyd Schuhfabrik Meyer & Co GmbH v. Klijsen Handel BV [1999] ECR I-3819; Case C-334/05 P Shaker di L Laudato & C SAS v. OHIM [2007] ECR I-4529; Case C-3/03 Matratzen Concord v. OHIM [2004] ECR I-3657; Case C-120/04 Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH [2005] ECR I-8551; Case C-39/97 Canon Kabushiki Kaisha v. Metro Goldwyn Mayer Inc [1998] ECR I-5507; and Case C-425/98 Marca Mode CV v. Adidas AG [2000] ECR I-4861.

circumstances, by dominated by one or more of its components;
Matratzen Concord v. OHIM,

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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;
Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH,

(g) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.,

(h) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it: Sabel BV v. Puma AG,

(i) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of [Art 5(1)(b)]; Sabel BV v. Puma AG,

(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; Marca Mode CV v. Adidas AG and Adidas Benelux BV,

(k) if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.

5. The basic question for determination is whether **X** times **Y** equals **Z**, with **X** being the degree of similarity between the marks in issue, **Y** being the degree of similarity between the goods in issue and **Z** being the existence of a likelihood of confusion. The decision taker must give as much or as little significance to the visual, aural and conceptual differences and similarities between the marks in issue as the average consumer of the goods in issue would normally have attached to them at the date of the request for protection. The determination

must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision.²

6. The opposition in the present case was determined without recourse to a hearing. For the reasons given by Mr. David Landau acting on behalf of the Registrar of Trade Marks, in a written decision issued under reference BL O-256-09 on 4 September 2009, the application for registration was rejected for '*batteries*' but accepted for '*electrodes; capacitors; fuel cells*' *battery separator membranes for use in batteries, capacitors and fuel cells; separator plates for use in electric storage batteries, lithium batteries, capacitors and fuel cells*'. The Opponent was ordered to pay the Applicant £500 as a contribution towards its costs of the proceedings in the Registry.

7. The Hearing Officer held that the Opponent's earlier trade mark registration covered '*electrodes*', '*batteries*', '*capacitors*' and '*fuel cells*' as specified in the opposed application for registration: paragraph [8]. In paragraph [9] he held that these were goods relative to which '*battery separator membranes*' and '*separator plates*' were indispensable and therefore mutually dependent and complementary to a high degree. In paragraph [10] he concluded that '*battery separator membranes for use in batteries, capacitors and fuel cells*' and '*separator plates for use in electric storage batteries, lithium batteries, capacitors and fuel cells*' were similar to a significant degree to the goods of the earlier trade mark registration.

² BVBA Management, Training en Consultancy v. Benelux-Merkenbureau [2007] ECR I-1455 at paragraphs [30] to [38].

8. He assessed the degree of similarity between the marks in issue from the viewpoint of one and the same average consumer. That is to say, he proceeded upon the basis that the degree of perspicacity exercised by the relevant average consumer would be the same in relation to all of the goods concerned. His assessment from the viewpoint of the relevant average consumer of the goods concerned was as follows:

[19] As I have indicated above, I consider that both trade marks are invented words. I do not consider that any one part of the trade marks is dominant and distinctive, they are unlikely to be divided up, regardless of the submissions of the parties. The trade marks are distinctive in their entireties. It is often stated that the beginnings of words are more important in consideration of similarity than the endings. I consider that in this case this rule of thumb applies, the endings of the two trade marks do not draw the average consumer away from the beginnings. Both trade marks start with SEPAR, which as far as the beginnings of the trade marks are concerned creates visual and phonetic identity. The endings of the trade marks both include the letter 'o' but in different positions. LG's trade mark ends in a single syllable while the trade mark of Evonik ends with two syllables. The spoken emphasis is likely fall on the first two syllables of LG's trade mark. In my view Evonik's trade mark is likely to be pronounced SEP – AR – EE – ON, with the emphasis falling on the third syllable; this pronunciation further decreases the possibilities of conceptual connotations. There is, consequently, a reasonable degree of phonetic similarity. As indicated above these are invented words without either clear conceptual meaning or evocative effect. **Taking into account all of the above I find that overall the respective trade marks are similar to a reasonably high degree.**

9. In paragraph [20] he found that *'the earlier trade mark enjoys a good deal of inherent distinctiveness. As both trade marks are invented words, there is no conceptual hook for the memory of the consumer which would help him or her to distinguish between them.'*

10. He nevertheless held that the differences between the marks were sufficient (other than in relation to *'batteries'*) to prevent the *'reasonably high degree'* of similarity between them from giving rise to the existence of a likelihood of confusion:

[12] The other goods of the specification of the application will be bought by industrial undertakings rather than the public at large and by specialists within the industrial undertakings. Their nature means that the purchase of the goods will be the result of a careful and educated decision. The potential effects of imperfect recollection will be limited; the nature of the products is such that the purchaser will make every effort to make sure that there is no mistake in the purchase.

...

[22] ...I consider that owing to the nature of the purchasing process and the nature of the average consumer, the visual differences between the trade marks and the nature of the goods will counter the similarity between the trade marks, the identity or high degree of similarity of the goods and the inherent distinctiveness of the earlier trade mark and militate against confusion, including the possibility that the consumer would consider that the goods came from the same or an economically linked undertaking. These are goods that will be bought with the utmost care and consideration.

11. The Applicant did not appeal against the refusal of its application to register **SEPARODE** for 'batteries'. However, the Opponent appealed to an Appointed Person under Section 76 of the 1994 Act contending in substance that **SEPARODE** and **SEPARION** could not realistically be regarded as sufficiently similar to give rise to the existence of a likelihood of confusion in the market for 'batteries' without also being regarded as sufficiently similar to give rise to the existence of a likelihood of confusion in the market for goods of the kind in respect of which the opposed application had been allowed to proceed.

12. I think there is force in that contention. The Hearing Officer's decision in relation to the latter goods treats the 3-letter difference between the 8-letter words **SEPARODE** and **SEPARION** as sufficient to dissociate them in the perceptions and recollections of an average consumer for whom (per paragraph [19] of his decision): *'The trade marks are distinctive in their entirety...the beginnings...are more important...than the endings...the endings of the two trade marks do not draw the average consumer away from the beginnings.'*

Both trade marks start with **SEPAR**, which as far as the beginnings of the trade marks are concerned creates visual and phonetic identity’ and for whom (per paragraph [20] of his decision) ‘there is no conceptual hook for the memory...which would help him or her to distinguish between them’. If that is a correct assessment of the degree of similarity between the marks in issue from the viewpoint of the relevant average consumer of the goods concerned (as I think it is) the last 3 letters of the words will not have the decisive impact and effect that the determination attributes to them.

13. I am also not satisfied that the process of selection through to purchase³ in the context of ordering and re-ordering goods of the kind in issue can be taken to involve only people proceeding with ‘*the utmost care and consideration*’ and making ‘*every effort to make sure that there is no mistake in the purchase*’. Such attention to detail is not only sidelined by the Hearing Officer’s assessment of verbal similarity which I have accepted as correct. It is also very difficult to establish and maintain in an everyday working environment. It appears to me that the determination under appeal presupposes an exceptional level of attention to detail going beyond that which ought realistically to be attributed to people dealing with industrial products of the kind in issue.

14. The opposition should have been determined consistently with the degree of perspicacity envisaged by the Hearing Officer’s assessment of similarity correctly made between the marks in issue relative to the goods in issue on the collective basis endorsed by the Court of Justice in the BBVA case. The opposed application for registration should then have been refused under Section 5(2)(b) as a result of the marks in issue being too similar to be used concurrently without giving rise to the existence of a likelihood of confusion in the

³ See the judgment of Arnold J. in Och-Ziff Management Europe Ltd v. OCH Capital LLP [2010] EWHC 2599 (Ch) at paragraphs [79] to [101].

market not only for '*batteries*' but also for the remainder of the identical and closely similar goods in issue.

15. For these reasons, the appeal is allowed with the result that the opposition succeeds and the application for registration is refused in its entirety. The Hearing Officer's order for costs is set aside. Having regard to the time and effort that seems likely to have been expended upon the preparation and presentation of the case for the Opponent, and proceeding in accordance with the approach normally applied in relation to awards of costs in the context of appeals to this tribunal⁴, I think it would be appropriate to require the Applicant to pay the Opponent £1,000 by way of contribution to its costs of the opposition at first instance and on appeal. The Applicant is directed to pay that sum to the Opponent within 21 days of the date of this decision.

Geoffrey Hobbs QC

10 November 2010

The Applicant was not represented at the hearing of the appeal.

Mr. Ross Manaton of Messrs. Bromhead Johnson appeared on behalf of the Opponent.

The Registrar was not represented at the hearing of the appeal.

⁴ See CLUB SAIL Trade Mark BL O-155-10 (6 May 2010) at paragraphs [12] to [17].