

O-104-14

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2616650
BY EUI LIMITED TO REGISTER THE TRADE MARK**

BOX CLEVER

IN CLASSES 9, 36 & 38

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 400216
BY HOME TECHNOLOGY FINANCE LIMITED**

PLEADINGS AND BACKGROUND

1) On 4 April 2012, EUI Limited (“the applicant”) applied under the Trade Marks Act 1994 (“the Act”) for registration of the mark BOX CLEVER In respect of the following goods and services:


Class 9: *Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; electronic apparatus, equipment and instruments for use in recording data and information concerning vehicle performance, fuel consumption and vehicle behaviour; electronic apparatus, equipment and instruments for use in recording data and information concerning driver behaviour, driving indications and performance; electronic data recordal and retrieval devices for use in vehicles; electronic data recordal and retrieval devices for use in vehicles relating to fuel consumption; tyre pressure, brake wear and tear and vehicle efficiency and economy; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, computer software applications for use with mobile communication devices; telematics software and hardware; mobile telephone apparatus and equipment; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers; computer software; fire-extinguishing apparatus.*

Class 36: *Insurance; financial affairs; monetary affairs; real estate affairs; insurance and financial services; motor and non-marine general insurance services; motor insurance; fire insurance; health insurance; life insurance; marine insurance; information services relating to insurance and finance, provided on-line from a computer database or the Internet; insurance brokerage, consultancy, information and underwriting services; underwriting of motor accident insurance; brokerage of stocks, bonds and securities; financial consultancy, information and management services; capital investment; fund investment; loan, warranty and extended warranty services financing of loans; investment services; financial management services; financial sponsorship; issuance of credit cards; charge cards and debit cards; trade discount card services; financial evaluation (insurance and real estate); financial management of consumer and trade schemes; electronic transfer of funds; charitable fund raising; advice and consultancy services relating to all the aforesaid services.*

Class 38: *Telecommunications; telecommunication of information (including web pages), computer programmes and all other data and images; provision of telecommunications access and links to computer databases, the Internet and the World Wide Web; reception, recordal,*

communication, transmission, networking, and telecommunication services, namely the display of information from databanks and databases; electronic mail services; facsimile, telex, telephone and telegram services; cellular telephone communication; rental of telephones, cellular telephones and telecommunication apparatus and equipment; reception, recordal, communication, networking and transmission of data and images by means of cable, computer, electronic mail, facsimile, fibre optics, infra-red, laser beam, microwave, radio, radio paging, teleprinter, teleletter, television and satellite; message sending; paging services; computer aided transmission of facsimile messages and images; telecommunication services providing access to product and service directories and information, telephone and facsimile directories and financial transactions and information; transmission, communication and telecommunication of information for ticket sales purposes; news and press agencies; providing access via computers and communications networks including the Internet, to text, electronic documents, databases, graphic and audiovisual information; Internet portal services; providing access to MP3 web sites on the Internet; providing access to digital music web sites on the Internet; providing internet chat rooms; walled gardens [provision of internet access to vetted and selected web sites]; provision of access to computer programmes via home page interfaces; providing electronic access to periodicals and other printed matter on the Internet, computers and communications networks; advice, information and consulting services relating to all the aforesaid services.

2) On 8 March 2013 the application was published in the Trade Mark Journal and on 8 May 2013 Home Technology Finance Limited (“the opponent”) filed notice of opposition to the application. The grounds of opposition are that the application offends under Sections 5(1), 5(2)(a) and Section 5(2)(b) of the Act because it is in respect of an identical or similar mark and identical or similar goods and services to one of the opponent’s earlier marks. The relevant details of this earlier mark are as follows:

Relevant details	Goods and services relied upon
<p>2213120</p> <p>BOXCLEVER</p> <p>boxclever</p>  <p>Filing date: 1 November 1999 Date of entry in register: 9 June 2000</p>	<p>Class 7: <i>Washing machines, washer dryers, ...</i></p> <p>Class 9: <i>..., dvd equipment, ..., video recorders, ..., televisions, ..., recording media, digital ... systems,</i></p> <p>Class 11: <i>..., tumble dryers....</i></p> <p>Class 37: <i>Rental of ... washing machines, washer dryers, tumble dryers ...; repair and maintenance of electric and electronic domestic apparatus and equipment,</i></p> <p>Class 41: <i>Rental of ..., dvd equipment, ..., video recorders, ..., recording media, digital ... systems, televisions,</i></p>

3) In addition, the opponent relies upon a second earlier mark, claiming that the application offends under Section 5(2)(a) because it is in respect of an identical mark and similar goods and services as contained in the following earlier mark in the name of the opponent:

Relevant details	Goods and services relied upon
2187111 BOX CLEVER Filing date: 26 January 1999 Date of entry in register: 16 July 1999	Class 36: <i>Credit services.</i>

4) The applicant subsequently filed a counterstatement denying the opponent's claims. It explains that the earlier marks are focussed on general goods used in everyday life as well as rental of, and credit services for the rental of such goods. On the other hand, it submits that the applicant's mark is intended to be used in respect of goods and services related to motor insurance and the collation and processing of data from motor vehicles for use in evaluating insurance risk. It puts the opponent to proof of use in respect of all the goods and services listed in both its earlier registrations.

5) Only the opponent filed evidence (in respect of use of its marks) in these proceedings and both sides provided written submissions. Both sides ask for an award of costs. Neither side requested to be heard and I make my decision after a thorough review of the papers.

Evidence

6) The opponent's evidence is in the form of a witness statement by Zahir Mohammed, Finance and Treasury Manager at the opponent company. He states that his company has used a stylised version and word-only version of the mark BOXCLEVER in the UK since 1999 in relation to all the goods and services listed in its two earlier registrations. He explains that his company rents out domestic electronic products to customers and offers those products for sale at the end of the rental periods with approximately 32% of customers terminating rental agreements purchasing the rented products from the opponent. He states that his company also provides full support services by way of repair and maintenance services.

7) At Exhibit ZM1, Mr Mohammed provides sales figures for the period 2000 to 2012. As the relevant period for demonstrating proof of use is the five year period ending with the publication date of the contested application, in this case 8 March 2013, I only detail those figures relating to this period:

Year	Value of Sales (£ millions)
2008	73,609
2009	62,128
2010	66,675
2011	27,998
2012	36,528

8) At Exhibit ZM2, Mr Mohammed provides copies of sample promotional mail and a brochure sent to customers in September 2008. The mast head includes a mark consisting of the words “**boxclever**” with a small device (as shown in paragraph 9, below). Numerous other references throughout the document use the word-only mark “boxclever”, for example, at the bottom of the first page is the words “Digital Offers from boxclever”. The same use is seen in the brochure it provides information to customers in the West Country regarding the digital switchover of television services in that area in 2009. The brochure also provides information regarding rental of the opponent’s digital set top boxes.

9) Exhibit ZM3 consists of three letters sent in reply to customer enquiries. These are dated 1 August 2012, 6 February 2013 (both before the relevant date) and 6 September 2013 (after the relevant date). All carry the following mark in the mast head:



10) There are numerous mentions of the opponent in the body of the letters, where the plain words “boxclever” are used. All three letters relate to unspecified goods, however, the letter of 6 February 2013 includes the following text:

“... if you need our services or want to upgrade your TV, recording or kitchen appliances, then please speak to one of our friendly advisors...”

And:

“Below are some of the reasons why renting from boxclever makes sense:

- FREE delivery
- FREE installation of new products
- FREE advice from our friendly and knowledgeable advisors
- FREE repair and replacement guarantee ...”

11) Exhibit ZM4 consists of two further letters, dated 25 March 2011 and 2 September 2011. Both are samples and the mast head of both letters includes a

mark as shown in paragraph 9 above, but where the words "...putting the customer first" are replaced by "Including DVR and DER". Both letters confirm to customers that they are purchasing their rental products, but these products are unspecified.

12) Exhibit ZM5 consists of screenshots of the applicant's website, www.boxclever.co.uk, obtained from the Internet archive, *Waybackmachine*. There are six extracts dated 4 July 2008, 13 August 2009, 18 August 2011, 1 November 2011, 4 February 2012 and 2 October 2011. All refer to the opponent as "boxclever" on numerous occasions throughout the extracts. It promotes itself as "the UKs largest TV rental company!" The first two extracts carry a banner on the left hand side of the page that lists the company's products for rent as televisions, DVD players, video recorders, laundry, digital TV recorders, Freeview boxes and "Freeview". These extracts promote the opponent's TV rental services but does also refer to rental of other products in the following way:

"As well as renting TVs and Videos we also offer a wide range of washing machines, washer dryers and tumble dryers. ... We're more than just a tv rental company!"

"Weather its a Widescreen TV, Flat Panel LCD TV, DVD Recorder or Washing Machine you're interested in renting we have a wide range of brochures to help you choose! ..."

DECISION

Proof of use

13) The Trade Marks (Proof of Use, etc) Regulations 2004 apply in this case. The provision reads as follows:

"6A Raising of relative grounds in opposition proceedings in case of non-use

(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 period of five years ending with the date of publication.

(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 period of five years ending with the date of publication of the application 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 differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, ...

...

(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...”

14) Consideration has to be taken, also, of section 100 of the Act which states:

“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.”

Consequent upon section 100 the onus is upon the registered proprietor to prove that it has made use of the trade mark in suit, or that there are proper reasons for non-use.

15) In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch), Arnold J commented on the case law of the CJEU in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax*

Brandbeveiliging BV [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

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

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]"

16) As I have already noted, the contested application was published on 8 March 2013. Consequently the five year period when the opponent is required to demonstrate use is between 9 March 2008 and 8 March 2013. In its written submissions in reply to the opponent's evidence, the applicant accepts that the opponent has demonstrated use in respect of "providing various domestic electrical items such as televisions, DVD players, washing machines, washer dryers and tumble dryers". It further contends that the opponent's business "relates purely to the rental of domestic equipment".

17) I concur that the evidence demonstrates a trade in the rental of domestic electrical items. Further, the evidence illustrates that it also provides a repair service in conjunction with the rental of products. In respect to these Class 37 and Class 41 services, the requirements summarised in *Stichting BDO and others v BDO Unibank, Inc and others* have been met.

18) The opponent also claims use in respect of numerous goods and also *credit services* in Class 36. There is no evidence that it trades in any goods. Whilst there is some evidence of a trade in the retail of used goods, there is nothing in the evidence to suggest that the opponent manufactures or identifies the goods themselves by the mark "boxclever". In its submissions the opponent conflates use in respect of the goods with use in respect of retailing of the goods. It has not shown any use in respect of the goods themselves, but rather only in the retail services relating of the sale of pre-owned products. It is not correct to state, as it does in its written submissions, that it is "indeed actually the case with the Opponent, that an economic entity offering goods in class 9 per se will also offer the rental of those goods". This is NOT the case with the opponent because the evidence only demonstrates a retail service relating to these goods. And of course, the opponent does not have protection for retailing services in its earlier marks.

19) Similarly, there is no evidence that the opponent offers *credit services*. Consequently, the opponent is not able to rely upon its second earlier mark, namely 2187111 BOX CLEVER.

20) Having established that the opponent has demonstrated genuine use in respect to its Class 37 and Class 41 services, I must consider whether such use justifies it retaining the terms listed in its specifications and relied upon in its statement of case. In doing so, I keep in mind the guidance in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 in relation to determining what constitutes a fair specification, namely:

“29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in Decon suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

21) The comments of Mr Justice Jacob (as he then was) in *Animal Trade Mark* [2004] FSR 19 are also relevant:

“20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernicky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made.”

22) I am also mindful of the guidance provided by the GC in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) (ALADIN)* Case T-126/03:

“42 The Court observes that the purpose of the requirement that the earlier mark must have been put to genuine use is to limit the likelihood of conflict between two marks by protecting only trade marks which have actually been used, in so far as there is no sound economic reason for them not having been used. That interpretation is borne out by the ninth recital in the preamble to Regulation No 40/94, which expressly refers to that objective (see, to that effect, *Silk Cocoon*, cited at paragraph 27 above, paragraph 38). However, the purpose of Article 43(2) and (3) of Regulation No 40/94 is not to assess commercial success or to review the economic strategy of an undertaking, nor is it to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks (Case T-334/01 *MFE Marienfelde v OHIM – Vétoquinol (HIPOVITON)* [2004] ECR II-0000, paragraph 32, and Case T-203/02

Sunrider v OHIM – Espadafor Caba (VITAFRUIT) [2004] ECR II-0000, paragraph 38).

43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of subcategories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the subcategory or subcategories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the

registration. Consequently, the concept of ‘part of the goods or services’ cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

...

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category.”

23) Finally, I also take account of the comments of Mr Geoffrey Hobbs QC, sitting as the appointed person in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10, where he stated:

“... I adhere to the view that I have expressed in a number of previous decisions. 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.”

24) Taking all of the above into account, it is likely that the “average, reasonably informed consumer” would, when asked to collectively describe the opponent’s services say that they are rental, repair and maintenance of domestic apparatus and equipment. As such, I find that it is appropriate for the opponent to retain the services it relies upon in Class 37 and Class 41, but modified as follows:

Class 37: *Rental of domestic apparatus and equipment, namely washing machines, washer dryers, tumble dryers; repair and maintenance of electric and electronic domestic apparatus and equipment.*

Class 41: *Rental of domestic apparatus and equipment, namely dvd equipment, video recorders, recording media, digital systems, televisions.*

25) In summary, I conclude that for the purposes of these proceedings, the opponent is able to rely upon the services detailed in paragraph 24 above. No evidence has been presented that demonstrates that the earlier marks have been used on any other goods or services.

Section 5(1) and Section 5(2)

26) Section 5(1) and (2) reads:

“(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

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

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

(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.”

27) Firstly, I will deal briefly with the pleadings based upon Section 5(1) of the Act. Following my analysis of the opponent’s proof of use and the conclusions that I reached, the opponent is only able to rely on rental and repair-type services in Class 37 and Class 41. These services are not covered by the application. Identity of goods and services is a requirement for grounds under Section 5(1) to be made out. It follows that the opposition based upon this ground must fail.

28) I now turn to consider the grounds based upon Section 5(2)(a) and (2)(b). In reaching my decision under this ground I bear in mind that the CJEU has issued a number of judgments which provide guiding principles relevant to this ground. In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (BL O/330/10), Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

“(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, in certain circumstances, be dominated by one or more of its components;

(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;

(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 causes the public to wrongly 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

29) In assessing the similarity of goods and services, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective goods and services should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 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 are complementary.'

30) Other factors may also be taken into account such as, for example, the distribution channels of the goods concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

31) Finally, in terms of understanding what a "complementary" relationship consists of, I note the judgment of the GC in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06 where it was stated:

"It is true that goods are complementary if 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 (see, to that effect, Case T-169/03 *Segio Rossi v OHIM - Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM - Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Ingles v OHIM - Bolanos Sabri (PiraNAN diseno original Juan Bolanos)* [2007] ECR I-0000, paragraph 48)."

Class 9

32) The opponent submits that various of its Class 9 goods are identical or similar to the applicant's goods in the same class. I note this, but I have not found genuine use in respect of any of the opponent's Class 9 goods and, consequently, the opponent is unable to rely on these.

33) The opponent also submits that the applicant's goods are complementary to its services listed in Class 37 and 41. The opponent's *repair and maintenance of electric and electronic domestic apparatus and equipment* appears to provide it with best case. Such a term will include the repair or maintenance of washing machines, washer dryers, tumble dryers, dvd equipment, video recorders, recording media, digital systems and television. Insofar as the goods subject to these repair services are the same as goods included in the applicant's specification, there would be a good deal of similarity. I note the opponent's submission that there is identity between *recording media* and its various recording apparatus and equipment listed in the applicant's specification. However, following my finding regarding proof of use, the opponent's specifications are limited to domestic apparatus and equipment. Therefore, its

rental of recording media is limited in this way. However, all of the applicant's recording apparatus and equipment is limited for use in vehicles or to recording vehicle and driver related data. Such goods share no similarity with domestic equipment. The goods are for use in different situations, are for recording different things, purchased from different undertakings and by different consumers. They are not in competition or complementary in any way.

34) However, that is not the case in respect of the applicant's *apparatus for recording, transmission or reproduction of sound or images*. The first of these terms includes television, satellite and set top boxes that are examples of goods rented and repaired by the opponent. Consequently, these services would not exist without the goods and, as such, there is complementarity between the two. Similarly, the provider of the goods may also provide a repair service for those goods. In both cases the services and goods can be provided to the consumer by the same trader. Therefore, there is some overlap of trade channels. Consequently, I find that these goods are also reasonably similar to the opponent's services.

35) For similar reasons, in respect of the applicant's *magnetic data carriers, recording discs and compact discs*, there is a reasonable level of similarity to the opponent's *rental of recording media* in its Class 41.

36) In respect of all of the remaining goods listed in the applicant's Class 9 specification, there is nothing to suggest that there is any similarity with the opponent's Class 37 or Class 41 services. They differ in their nature, intended purpose, methods of use and neither will the share trade channels or be in competition with, or complementary to each other. Therefore, I find that there is no similarity.

Class 36

37) The opponent submits that numerous services listed in the applicant's Class 36 specification are identical or similar to its *credit services*. However, I found no proof of use in respect of such services and, consequently, the opponent is unable to rely upon these.

38) However, the applicant's *financial management of consumer and trade schemes* includes the financial management of consumer and trade rental schemes. Therefore, the term includes the financial management of the rental services of the kind provided by the opponent. That said, the financial management service will be provided to the trader who is providing the schemes themselves and not to the consumer of the rental services. Therefore the relevant consumers are different. However, I accept that it may be that the provider of the financial management of rental schemes may also provide for the rental services to the consumer. Taking this into account, I conclude that there is some similarity between the respective services, but this is not high.

39) In respect of all other of the applicant's Class 36 services, it is not obvious to me that there is any similarity

Class 38

40) The opponent submits that the applicant's *rental of telephones, cellular telephones and telecommunication apparatus and equipment* are highly similar to its own Class 41 services because both involve rental of electronic telecommunications products and the consumer is likely to believe such services originate from the same economic undertaking. It cites Decision No. 1305/2001 of the OHIM's Opposition decision where a similar conclusion was reached. I agree that there is similarity. Telecommunications services and television services are often offered as part of a package to consumers with telephones, modems and set top boxes being rented or provided as part of the service. Taking account of this, I conclude that there is a reasonable level of similarity between these respective services.

41) There are no submissions from the opponent as to why any other of the applicant's Class 38 services are similar to any of its services and it is not obvious to me that there is any similarity. Consequently, I find that in respect of the applicant's remaining Class 38 services, there is no similarity with any of the opponent's services.

Summary of findings on similarity of goods and services and consequences of a finding of no similarity

42) I have found at least some similarity between the opponent's services and the following goods and services of the application:

Class 9: *Apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs and compact discs.*

Class 36: *Financial management of consumer and trade schemes.*

Class 38: *Rental of telephones, cellular telephones and telecommunication apparatus and equipment.*

43) In respect of all of the remaining goods and services listed in the application, I have found that there is no similarity with the opponent's services. Similarity between goods and services is one of the essential interdependent elements required in the global assessment I must undertake. As this element is missing in respect of these goods and services, there can be no finding of likelihood of confusion (see *Waterford Wedgwood plc v OHIM* – C-398/07 P, paragraphs 31, 34 and 35).

44) As a result of this, it follows that the grounds based upon Section 5(2) must fail in respect of all the goods and services of the application except those listed in paragraph 42, above. I will continue my considerations of the elements of the global assessment and of the likelihood of confusion only in respect of the applicant's goods and services identified in paragraph 42.

The average consumer and nature of the purchasing act

45) Matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23), who is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*, paragraph 27). The degree of care and attention the average consumer uses when selecting goods and services can, however, vary depending on what is involved (see, for example, the judgment of the GC in *Inter-Ikea Systems B.V. v. OHIM*, Case T-112/06).

46) The opponent's services are provided to ordinary consumers who wish to rent electrical domestic apparatus and equipment. Such purchases are generally made after some consideration of what is available on the market. Selection will generally be by the eye, having seen online or printed promotional matter. However, I do not discount that aural reference may play a part where, for example, services are recommended to the consumer.

47) Some of the applicant's goods and services are similar to some degree with those of the opponent and where this is so, similar considerations apply regarding the average consumer and the purchasing act. The applicant's goods and services also include a wide range of insurance and financial services that may be provided business to business or directly to consumers. Generally speaking, the purchase of such services involves more than the normal degree of attention, but not the highest degree. Similar considerations exist for its Class 38 services. With regard to its Class 9 goods, many are specialist devices that will be provided to businesses rather than direct to consumers. Business to business purchases will invariably entail a reasonably high level of care and attention during the purchasing process to ensure the correct products are obtained.

Comparison of marks

48) For ease of reference, the respective marks are:

Opponent's marks	Applicant's mark
<p>BOXCLEVER</p> <p>boxclever</p> <p>boxclever</p>	<p>BOX CLEVER</p>

49) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must, therefore, be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components.

50) There cannot be an artificial dissection of the marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them and is deemed to be reasonably well informed and reasonably circumspect and observant. The assessment of the similarity of the marks must be made by reference to the perception of the relevant public.

51) Having regard for all these points, it is self evident that whilst the respective marks are not identical, they are virtually identical. The only difference between the opponent's first mark and the applicant's mark is that in the former, the words "BOX" and "CLEVER" are conjoined, whereas in the latter, they are presented as two separate words. Nevertheless, in the opponent's mark, the natural separation remains between the word "BOX" and the word "CLEVER". Conceptually and aurally, they are identical. Visually, they are very highly similar. Overall, the marks share a very high level of similarity.

Distinctive character of the earlier trade mark

52) I must consider the distinctive character of the earlier mark because the more distinctive it is, either by inherent nature or by use the greater the likelihood of confusion (*Sabel BV v Puma AG* [1998] RPC 199). The distinctive character of the earlier trade mark must be assessed by reference to the goods for which it is registered and by reference to the way it is perceived by the relevant public (*Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91).

53) The term "box clever" is a reference, with its origins in the sport of boxing, to outwitting someone¹. It has no obvious meaning in respect of the services of the opponent and is, consequently, endowed with a normal level of distinctive character.

54) The opponent's own website claims that it is "the UK's largest TV rental company". Such a claim with declared turnover figures being in the many tens of millions suggests that the mark has acquired a level of distinctiveness over and above that endowed in its inherent nature.

¹ Brewer's Dictionary of Modern Phrase & Fable
(<http://www.oxfordreference.com/view/10.1093/acref/9780199916108.001.0001/acref-9780199916108-e-1080?rsk=gsipQ0&result=1>)

Likelihood of confusion

55) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). I must take into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the marks and that of the goods or services designated (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*)

56) As I have already concluded, the opposition must fail in respect of all of the applicant's goods and services except the following:

Class 9: *Apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs and compact discs.*

Class 36: *Financial management of consumer and trade schemes.*

Class 38: *Rental of telephones, cellular telephones and telecommunication apparatus and equipment.*

57) In respect of these Class 9 goods and Class 38 services, I have found that there is a reasonable level of, or a good deal of similarity with the opponent's goods. When factoring this into the global assessment together with the fact that I have also found that there is a very high level of similarity between the respective marks, there is an overlap of consumers and that the earlier mark enjoys an enhanced level of distinctive character resulting from the use made of it, I find that there is a strong likelihood of confusion.

58) In respect of the applicant's Class 36 services, I found that the similarity is not high. Nevertheless, taking in all other considerations outlined in the above paragraph, the link between the respective services is sufficient to lead the consumer of the respective services to believe that they are provided by the same undertaking. I find there is a likelihood of confusion in respect of these services also.

59) In summary, I find that there is a likelihood of confusion in respect of all the goods and services listed in paragraph 56. The opposition fails in respect of all the remaining goods and services because there is no similarity with the services of the opponent. Even if I am wrong and there is some similarity between these goods and services, it is only very low and it would not affect the overall outcome.

COSTS

60) The opposition has succeeded in part, but also the applicant has achieved a measure of success also. In the circumstances, I direct that the parties bear their own costs.

Dated this 5th day of March 2014

**Mark Bryant
For the Registrar,
the Comptroller-General**